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IAEA Demands DPRK Accept Inspection by Jun

SK2502084692 Seoul YONHAP in English 0652 GMT 25 Feb 92

[Text] Vienna, Feb. 24 (OANA-YONHAP)—The International Atomic Energy Agency (IAEA) demanded Monday that North Korea accept nuclear inspection by June, and said it would go to the U.N. Security Council if Pyongyang refused.

Ten members of the IAEA Board of Governors, including South Korea, spoke on the opening day of the IAEA meeting here. Their emphasis on North Korea's nuclear program changed the order of the agenda, which was to start with budgetary matters, a vote on a resolution strengthening the IAEA's inspection authority, and two other topics before discussing North Korea on Wednesday.

Following a resolution the IAEA board adopted last September urging Pyongyang's immediate ratification and implementation of the safeguards accord, IAEA director-general Hans Blix was to report on North Korea's progress.

The IAEA board issued the demand after North Korean roving Ambassador O Chang-nim, as an observer, delivered a keynote speech that did not say when Pyongyang would ratify the nuclear safeguards accord it signed Jan. 30.

"The sixteenth session of the standing committee of the ninth Supreme People's Assembly (of North Korea) which was held on February 18, 1992, reviewed the safeguards agreement concluded between the government of our Republic and the IAEA, and decided to present it to the forthcoming third regular session of the ninth Supreme People's Assembly for its consideration," O said.

The third regular session is expected in April.

O denied that North Korea is trying to develop nuclear weapons.

"Neither have we nuclear weapons nor intention to manufacture them, and it is not necessary to make them," he said.

"We do not want nuclear competition and confrontation with neighbouring big countries and it is totally unimaginable to develop nuclear weapons capable of exterminating our fellow countrymen," he said.

North Korea, suspected of being within months of making a nuclear weapon, joined the Nuclear Nonproliferation Treaty (NPT) in 1985.

Nations joining the NPT must sign the safeguards accord within 18 months of membership, but North Korea delayed it for more than six years before finally signing it last January.

South Korean ambassador to Vienna Yi Chang-chun, speaking after North Korea's O, noted: "No specific mention has been made of the timing of the ratification of the agreement.

"I would like to raise, through you, Mr. Chairman, a question to the North Korean Government: Under which article of the DPRK Constitution is it bringing the agreement to its legislative body?

"I also want to know when the article concerned, if at all, was incorporated into the part of the North Korean Constitution. I understand that there are no provisions in its constitution for consent by the Supreme People's Assembly to international agreements North Korea concludes and that the power of ratification rests solely with Mr. Kim Il-song, its president," Yi said.

South Korea, Argentina, France and Japan warned that, unless North Korea accepted IAEA inspection by June, they would take the matter to the U.N. Security Council and force an inspection.

More board members were expected to deliver messages to North Korea in Tuesday's session, which will deal with a resolution giving the IAEA the right to enforce a special inspection of nuclear materials and facilities not included in the reports submitted by the countries.

Indonesia's Alatas Begins World Tour

OW1702081092 Tokyo KYODO in English 0642 GMT 17 Feb 92

[Text] Tokyo, Feb. 17 KYODO—Indonesian Foreign Minister Ali Alatas began an around-the-world campaign Monday to explain Jakarta's position on last year's mass shootings by soldiers in East Timor with a series of meetings in Tokyo.

He disclosed that a government-appointed commission would submit a final report "in a few days" of its investigations into the November 12 shootings, which Alatas called "tragic and regrettable."

The foreign minister defended the panel, headed by a supreme court judge, saying its report would prove the investigation was impartial by presenting the inquiry's procedures, materials, and interviews.

In a two-hour meeting with a limited number of Japanese and Indonesian reporters at a Tokyo hotel, Alatas said, "we deeply regretted (the shooting) and acted. That is the center of our message."

The seven-member commission said in a preliminary report in late December that 50 people were killed and more than 91 people were injured in the shootings at a graveyard in the East Timor capital of Dili. Civil rights groups, witnesses, and foreign journalists have estimated as many as 180 unarmed mourners were gunned down.

Alatas vowed the government would prosecute anyone—including soldiers—involved in the shooting, according to national laws. He quoted President Suharto as saying, "let us learn lessons from this incident."

To demonstrate Jakarta's resolve to settle the problem, Alatas citing a series of directives from Suharto to the armed forces and government institutions on follow-up measures.

He noted that Indonesia has recently admitted a special envoy from U.N. Secretary General Butrus Butrus Ghali for an on-the-spot investigation.

Alatas criticized Western media comparisons of the East Timor killings to the military crackdown in Beijing's Tiananmen Square in 1989 as "not fair and irrelevant."

He attributed the origin of the area's problems to what he described as abandonment to chaos when the Portuguese colonial ruler pulled out from the eastern half of Timor Island. Indonesia seized East Timor in 1975, claiming its invasion was requested by the residents to save lives.

Calls for self-determination were among the sources of discontent prompting protests in Dili. One youth was killed, and the subsequent November 12 demonstration was met with the soldiers' machine guns.

Alatas on Monday again ruled out a vote in East Timor on self-determination, saying, "you cannot turn back the clock."

He arrived in Tokyo Sunday on the first stop of a tour that is to take him to the United States—where he will visit U.N. headquarters—Canada, France, the Netherlands, and Spain in a bid to directly clarify Indonesia's stand on the incident.

Earlier this month he met with British Foreign Minister Douglas Hurd in London to discuss the Dili shootings.

Alatas was slated to meet with Foreign Minister Michio Watanabe on Monday and have separate talks with Satsuki Eda, leader of the opposition United Social Democratic Party, who represents a nonpartisan parliamentarian group on East Timor.

In December, Eda's Diet members forum on East Timor submitted a petition to Prime Minister Kiichi Miyazawa, urging the government to review its aid policy to Indonesia because of what they called human rights violations in East Timor.

Japan

Watanabe Seeks Return of Some U.S. Facilities

OW2502144792 Tokyo KYODO in English 0517 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Foreign Minister Michio Watanabe said Tuesday he recently asked the United States to return to Japan the military facilities on Okinawa that it no longer needs.

Watanabe said the request was made in talks last Friday at the Foreign Ministry with Admiral Charles Larson, commander in chief of U.S. Pacific forces, who he said responded that it is Washington's intention to return such facilities.

Watanabe said a return of U.S. facilities that have fallen into disuse or disrepair would have a marked effect in promoting good relations between U.S. Forces in Japan and residents of Okinawa.

He noted that such a gesture would be especially significant at this juncture, as this year represents the 20th anniversary of the return of the islands to Japanese sovereignty following their occupation after World War II.

The foreign minister said his request was a reiteration of similar sentiments expressed during visits to Japan late last year by Secretary of Defense Richard Cheney and Gen. Colin Powell, chairman of the Joint Chiefs of Staff.

FTC Survey Finds Business Group Ties Weaker

OW2402144592 Tokyo KYODO in English 1130 GMT 24 Feb 92

[Text] Tokyo, Feb. 24 KYODO—A survey by the Fair Trade Commission (FTC) released Monday found transactions among major domestic business groups declined in fiscal 1989 compared with fiscal 1981.

Such transactions, excluding financial institutions, accounted for an average 7.3 percent of the groups' total sales, down 3.5 percentage points from the fiscal 1981 figure.

Procurements within the same business group shed 3.6 points to 8.1 percent, while the cross-shareholding ratio shed 0.1 point from fiscal 1987 to 1.4 percent.

The business groupings, known as "Keiretsu," were listed as one of Japan's main trade barriers at the Japan-U.S. Structural Impediments Initiative (SII) talks for freer trade and investment.

An FTC official said it is hard to tell whether companies are increasing business with firms in its own group. Officials will explain this to the United States at the follow-up meeting to the SII talks, scheduled to be held in Washington on Wednesday.

The research was conducted on 188 companies belonging to Japan's six major business groups—Mitsubishi, Mitsui, Sumitomo, Fuyo, Sanwa, and Dai-Ichi Kangyo.

More than 60 percent of the companies said they are accepting executives from other group companies, but the average number was only 1.8 persons.

In respect to the business of "Sogo-shosha," or general trading houses, their sales to other group companies accounted for 2.6 percent of the total figure, while the procurement ratio within the same group came to 7.6 percent.

The FTC attributed the decline in business among group companies to fewer transactions through their trading houses, while trading houses boosted transactions outside their groups.

GM Granted 'Type Designation' for Grand Am

OW2402165992 Tokyo KYODO in English 1212 GMT 24 Feb 92

[Text] Tokyo, Feb. 24 KYODO—The Transport Ministry on Monday granted type designation for General Motors Corp.'s (GM's) 2,260-cubic centimeter Grand Am, making it possible to cut the pre-registration cost of the model in Japan.

The type designation means that the model has passed Japanese safety and environmental standards, ministry officials said.

The new designation will eliminate the trouble of bringing each imported Grand Am to a Japanese land transportation bureau or inspection station to be checked, the officials said.

They said the importer will be asked only to follow normal car registration formalities.

Grand Am is the first U.S. car model to acquire type designation from the Japanese transport ministry since GM's Cadillac won the designation in 1984.

Close to 1,000 Grand Ams, imported through Yanase and Co., Japan's top car importer, have been sold in Japan in the past year.

The model, priced at a relatively low 2.8 million yen, has been very popular and has sold in Japan far better than any other U.S. car model, Yanase officials said.

Tokyo Agrees With EC on Shipping Liberalization

OW2502044092 Tokyo KYODO in English 0319 GMT 25 Feb 92

[Text] Geneva, Feb. 25 KYODO—Japan and the European Community (EC) have agreed to work together to promote liberalization of shipping under ongoing global trade talks, Japanese trade sources said Tuesday.

The agreement came during expert-level talks held Monday between Japan and the EC on ways to liberalize trade in services such as telecommunications, transportation, and finance, the sources said.

On other services-related topics, the EC urged Japan to widen European access to its insurance market but Japan stopped short of promising to take specific measures, the sources said.

Trade in services is one of the 15 sectors covered by the so-called Uruguay Round of multilateral trade negotiations held under the auspices of the General Agreement on Tariffs and Trade (GATT).

Ministry Denies Space Shuttle Link With Europe

OW2502115692 Tokyo KYODO in English 1139 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—The Foreign Ministry denied a press report Tuesday that Japan and Europe have agreed on the joint development of a space shuttle.

Ministry spokesman Masamichi Hanabusa acknowledged that Japan's Science and Technology Agency and the European Space Agency (ESA) "have been holding meetings from time to time looking for certain areas of cooperation."

"But it is not so much joint development as the exchange of certain technology or certain information," Hanabusa told foreign correspondents.

The major circulation ASAHI SHIMBUN reported Tuesday the two agencies have agreed to jointly develop a space shuttle and related equipment.

The newspaper said the agreement came Monday at a Tokyo meeting of the two agencies and aimed to develop a shuttle by 2000.

Japan and Europe have been working separately on the development of space shuttles, with Japan's Space Development Agency working on its "Hope" unmanned shuttle and the Europeans aiming to develop its "Hermes" manned space shuttle.

The ESA is made up of 13 member countries, including Germany, France, Britain, and Italy.

Sino-Japanese Partnership Lands Turbine Order

OW2502105792 Tokyo KYODO in English 1017 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—A Sino-Japanese partnership has won a 10 billion yen order from China for a pair of 300,000-kilowatt steam turbines for a thermal power plant, the Japanese partner reported Tuesday.

The project will be the first to be financed by the World Bank since the crackdown on pro-democracy demonstrators in Beijing in June 1989, the company said.

C. Itoh and Co., a major Japanese trading house, said the turbines were ordered by China National Technical Import and Export Corp. for installation at the Yanshi coal-burning power plant in the eastern suburbs of Luoyang, Henan Province.

The Sino-Japanese group also includes major Japanese electronic firm Hitachi Ltd. and China's Dongfang Electric Corp.

C. Itoh and Co. said the turbines were ordered for the second phase of the plant's expansion program.

The plant is already equipped with two 200,000-kilowatt turbines, the company said.

A formal contract covering the deal was signed in Beijing on Tuesday, it said.

ROK Talks on Bilateral Trade Set for 2 Mar

OW2502095692 Tokyo KYODO in English 0911 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japanese and South Korean trade negotiators will hold an initial working session in Tokyo next week to begin drawing up an action program designed to rectify the nations' bilateral trade imbalance, government officials said Tuesday.

The March 2 meeting will be the first regular consultation on trade since the summit between Japanese Prime Minister Kiichi Miyazawa and South Korean President No Tae-u in January, the officials said.

In the January meeting, the two leaders agreed that their countries would work out an action plan to reduce Japan's growing trade surplus with South Korea.

According to South Korea's official statistics, Seoul suffered a record deficit of about 8.8 billion dollars in its merchandize trade with Japan in 1991, up from 361 million dollars in 1990.

The officials said Japan will ask South Korea to abolish import restrictions on 258 categories of Japanese products, including automobiles and word processors.

Tokyo will also ask Seoul to allow foreign trading houses operating in South Korea to handle exports and imports, the officials said.

They said South Korea is expected to request that Japan promote technology transfer and open its market to South Korean exports.

The officials said details of the action program will be discussed at a regular deputy foreign ministers' meeting in Seoul April 2-3, and at a private-level forum to be held by business leaders from the two countries in April.

The trade plan will be completed by the end of June, they said.

ROK Asked Not To Fish at Disputed Islands

OW2502045592 Tokyo KYODO in English 0405 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japan has asked South Korea to exert "self-restraint" in conducting fishing operations in the seas surrounding four Russian-held islands claimed by Japan, Foreign Minister Michio Watanabe said Tuesday.

Watanabe made the remarks with reference to recent Japanese press reports that South Korea and Russia have reached agreement on joint fishing activities in Russian-controlled waters, including the 200-nautical mile economic zone around the disputed islands.

He said South Korea replied that it "understood" the Japanese request.

Sovereignty over the islands—Kunashiro, Etorofu, Shikotan, and the Habomai group, is now the subject of negotiations between Japan and Russia.

The islands, which lie off Japan's northernmost main island of Hokkaido, were seized from Japan by the Soviet Red Army shortly after the end of World War II.

Foreign Ministry Spokesman Masamichi Hanabusa later told foreign correspondents that Japan is aware that Seoul and Moscow had concluded a fisheries agreement toward the end of last October.

"We have been inquiring from the two countries about the details of this arrangement," Hanabusa said.

"We have not yet heard formally from either country on (the) matter we sought clarification on," he said.

The spokesman said Watanabe has not sent to Seoul any message regarding the issue of possible South Korean-Russian joint fishing in the area of the disputed islands.

Tokyo Comments on 'Peace' Ferry to East Timor

OW2502132892 Tokyo KYODO in English 1019 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japan hopes a ferry carrying East Timorese students and foreign journalists on a "peace mission" to East Timor will not aggravate the already tense situation there, a Foreign Ministry spokesman said Tuesday.

Masamichi Hanabusa told foreign correspondents Japan hopes the visit of the Portuguese boat will "take place in a quiet atmosphere" and "not contribute to the aggravation of the situation in East Timor."

He was talking amid reports the Indonesian military has threatened to treat the ferry as an illegal fishing boat and arrest those on board if they try to land at East Timor, a former Portuguese colony that Indonesia annexed by force in 1975-1976.

The ferry left Portugal early this month and was scheduled to arrive at East Timor in early March.

The more than 100 students and journalists on board, reportedly including two Japanese, plan to lay wreaths at a cemetery in Dili, the province's capital, in remembrance of the November 12 killing of civilians by Indonesian soldiers.

Crude Oil Imports 'Almost Flat' From Year Ago

OW2502080092 Tokyo KYODO in English 0648 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japan's crude oil imports remained almost flat in January from a year earlier, according to a preliminary report released Tuesday by the Ministry of International Trade and Industry (MITI).

January crude imports amounted to 136.30 million barrels, a 0.1 percent decrease from the year-earlier levels.

The United Arab Emirates (UAE) remained the top crude supplier, followed by Saudi Arabia and Indonesia. The UAE, Saudi Arabia, and other Middle East nations together accounted for nearly three-quarters of the total January supplies to Japan.

Oil processing continued to be active, up 5.7 percent from a year earlier at 131.27 million barrels.

Domestic production of fuel oil grew 5.2 percent to 119.00 million barrels, with all kinds of fuel except fuel oil b posting increases.

Imports of fuel oil also jumped 14.0 percent, but the ministry attributed the sharp rise to a reaction to the low-level imports seen a year before.

Domestic sales of fuel, meanwhile, were up 1.2 percent to 131.52 million barrels.

Transportation-related fuel, like gasoline and gas oil, was in strong demand, while kerosene and fuel oil a fared poorly due to the unusually warm winter.

Gradual Reduction of Lower House Seats Urged

OW2502045492 Tokyo KYODO in English 0406 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Foreign Minister Michio Watanabe said Tuesday he favors a provisional reduction of the seats in the House of Representatives from the current 512 seats to around 500, with further reductions later.

Watanabe, who is also deputy prime minister, told reporters after a cabinet meeting that such a gradual reduction would be more realistic than a sudden reduction to the 471 seats originally stipulated in the public offices election law.

Over the years, periodic reapportionment necessitated by population shifts has swollen the total number of seats to 512, divided among 130 constituencies.

Reducing the number of seats in the lower house is a key issue in the ongoing debate over political reform.

LDP Leaders Agree on Political Reform Need

OW2402152692 Tokyo KYODO in English 1459 GMT 24 Feb 92

[Text] Tokyo, Feb. 24 KYODO—The leaders of the ruling Liberal Democratic Party (LDP) agreed Monday on the need to draft a legislative political reform program by mid-March, government and LDP sources said.

LDP Secretary General Tamisuki Watanuki and other LDP leaders also agreed to draw up legislation based on talks with opposition parties for possible passage in the current Diet session which ends in June, the sources said.

"Considerable agreement from opposition parties will be necessary if this is to work out," said a senior government official who requested anonymity.

The ruling party's leadership agreed during a 90-minute meeting to endorse a four-point proposal Miyazawa announced over the weekend.

The proposal aims at eliminating an unconstitutional disparity in vote values by redistributing House of Representatives seats from sparsely populated rural districts to underrepresented urban areas.

The Supreme Court has ruled that a value disparity of three times or greater in votes violates the Constitution.

Miyazawa also won approval for tightening political fundraising rules, improving political ethics, and introducing reforms in political parties and parliament.

The prime minister told the LDP leaders that that he plans to introduce more sweeping reforms by next November, the sources said.

Miyazawa turned his attention to political reform shortly after an LDP candidate lost a Nara by-election for the House of Councillors in which political ethics was a major issue.

The prime minister's former aide, Fumio Abe, was indicted in January for bribery. Another money scandal which allegedly involves both ruling party and opposition party candidates is also brewing.

Miyazawa and the ruling party face a major test at the polls in July, when half the seats in the upper house will be on the line.

Mitsuzuka Sues Publications Over Sagawa Charges

OW2502091492 Tokyo KYODO in English 0759 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Former Transport Minister Hiroshi Mitsuzuka sued a magazine and a sports newspaper Tuesday, alleging they defamed him in articles linking him to the scandal-plagued Sagawa Kyubin trucking group.

Mitsuzuka is seeking 10 million yen each from the weekly SHUKAN POST and the daily TOKYO SPORTS in the suits filed with the Tokyo District Court over articles published last week.

Mitsuzuka, the head of the third-largest faction in the ruling Liberal Democratic Party, also named political commentator Hisashi Kikuchi in his suit against the sports daily.

Tokyo Sagawa Kyubin Co. reportedly extended massive loans, loan guarantees, and political contributions to influential politicians in an attempt to curry favor. Three of former Tokyo Sagawa executive officials have been arrested for alleged breach of trust over the loan scandal.

The former transport minister alleges he was defamed by a February 21 article in the SHUKAN POST that claimed to reveal the core of Tokyo Sagawa Kyubin's workings and link Mitsuzuka to the "suspicious trucking industry."

Kikuchi and the TOKYO SPORTS claimed that 10 employees of Mitsuzuka's Miyagi Prefecture headquarters received their salaries from Tohoku Sagawa Kyubin Co.

Mitsuzuka charged Tuesday that the SHUKAN POST article provided no basis for the claim he had a special relationship with Tokyo Sagawa Kyubin and that nothing in the article showed that the behavior of the trucking firm was inappropriate.

He dismissed Kikuchi's article as "entirely fiction."

In Japanese journalism, where the major Japanese dailies tend to adhere to a more conservative formula of reporting and presentation, weekly magazines and sports dailies sold on train and subway platforms and in convenience stores thrive on a sensational, quasi-investigative format.

Official Reveals Kyowa Bribery Scandal Details

OW2502043192 Tokyo KYODO in English 0403 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Kyowa Co, a defunct steel frame company, received about 4.5 billion yen from three trading firms after using 12 faked order forms of Marubeni Corp., a major trading company, a senior Justice Ministry official said Tuesday.

Kunihisa Hama, the ministry's criminal bureau chief, revealed details of the transactions after presenting an interim report on the Kyowa bribery scandal to the House of Representatives Budget Committee.

The scandal involves former State Minister Fumio Abe and five senior businessmen, who have been indicted on bribery charges.

Hama told the panel the three trading firms transfered a total of 4,556,730,845 yen to Kyowa Co. after the firms received 12 bogus Marubeni-issued order forms from Kyowa.

The three trading firms also issued a promisory bill worth 2,341,673,585 yen to Kyowa, Hama said.

The two Marubeni businessmen, conspiring with two senior Kyowa executives, allegedly pretended that a construction firm had ordered steel frames from Marubeni. The Marubeni businessmen then made out orders to the three trading firms to supply these goods, using Marubeni order forms, the report said.

The Justice Ministry report said the three trading companies accepted the false order forms as authentic, adding the companies subsequently ordered the steel frames from Kyowa.

The three trading companies paid the money and presented the bill to Kyowa, believing that Marubeni would later pay them the money, the report said.

The four businessmen arrested are former Kyowa Vice President Goro Moriguchi, former Kyowa Managing Director Masaki Tokura, former Marubeni Section Director Kazuyoshi Kubota, and former Marubeni Section Deputy Director Tadashi Tsutsumibayashi.

On the involvement of former Hokkaido and Okinawa Development Agencies Chief Fumio Abe in the Kyowa scandal, the report said Abe received 90 million yen in bribes from Kyowa in return for Abe showing favor toward the steel frame firm in a Hokkaido development project.

The project involved the construction of a highway between Hakodate and Esashi in western Hokkaido and a sports facility in Sapporo.

The report said Moriguchi invited Abe to an expensive Japanese restaurant several times between August 1989 and January 1990, while he was director general of the Hokkaido and Okinawa Development Agencies. It also said Moriguchi asked the former state minister to allow Kyowa to participate in the project.

In return for Abe's favors to Kyowa, Moriguchi later gave a total of 90 million yen to Abe, the report said.

The Tokyo district prosecutors' office launched an investigation shortly after Kyowa went bankrupt in May 1990.

The investigation ended when Abe and Moriguchi were indicted on bribery charges.

The investigation involved 30 prosecutors, 40 secretaries, and about 400 investigators, who questioned 2,800 people and confiscated 2,700 pieces of evidence, the report said.

Shiozaki Acknowledges Receiving 20 Million Yen

OW2502015792 Tokyo KYODO in English 0147 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Former State Minister Jun Shiozaki acknowledged in sworn testimony Tuesday that he had received 20 million yen from Kyowa Co., a bankrupt steel frame maker at the center of an alleged bribery scandal.

Testifying under oath before the House of Representatives Budget Committee, Shiozaki opened his testimony with an apology for causing a political stalemate in which Diet deliberations were stalled.

Shiozaki said he met Kazuo Haruna, chairman of Marubeni Corp., in 1989 to ask Marubeni to give favorable consideration to Kyowa. He said he later received 20 million yen from Kyowa but had since returned the money.

Shiozaki's testimony will be followed by the appearance of former Prime Minister Zenko Suzuki as an unsworn witness before the same panel in the afternoon.

Both Shiozaki and Suzuki are senior members of the Liberal Democratic Party (LDP) faction led by Prime Minister Kiichi Miyazawa.

Shiozaki headed the Finance Ministry's tax bureau before entering politics. As a legislator of the ruling LDP, he served in the posts of director general of the Economic Planning Agency and head of the Management and Coordination Agency.

Further on Shiozaki's Statement

OW2502063292 Tokyo KYODO in English 0546 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Former State Minister Jun Shiozaki said Tuesday he received 20 million yen from Kyowa Co. after intervening on behalf of the company with Marubeni Corp., one of Japan's major trading houses.

"I received 20 million yen...at my Diet office one month after I called on Marubeni Chairman (Kazuo) Haruna," Shiozaki told a session of the House of Representatives Budget Committee.

The Budget Committee summoned Shiozaki to testify as a sworn witness on the Kyowa bribery scandal.

In the scandal, former State Minister Fumio Abe has been indicted on a charge of accepting 90 million yen in bribes from Kyowa, a now defunct steel frame maker.

Shiozaki, former director general of the Management and Coordination Agency, told the committee, "I asked Chairman Haruna to give favorable treatment to Kyowa."

He said Kyowa asked him to do so through Abe.

"In June 1989, I went to the head office of Marubeni and met Haruna," he said in response to questions from Budget Committee Chairman Shinjiro Yamamura.

Yamamura, who is a member of the ruling Liberal Democratic Party (LDP), asked about the degree of Shiozaki's involvement in the Kyowa scandal.

Shiozaki quoted Haruna as replying that he would instruct an official in charge of the matter to study Shiozaki's request on behalf of Kyowa.

Shiozaki allegedly acted on Kyowa's behalf because Marubeni had suspended its steel frame transactions with Kyowa after in-house probes revealed that some Marubeni officials and Kyowa were involved in fraud.

The Marubeni officials and Kyowa's Vice President Goro Moriguchi are currently standing trial on charges of defrauding smaller trading houses of several billions of yen by falsifying fake steel orders using documents carrying Marubeni's logo.

Shiozaki denied allegations that he intervened to cover up Kyowa's fraudulent deals.

He told the committee, "I was not aware that such fictitious transactions were under way involving the world's giant firm Marubeni."

"I was later shocked by press reports of the arrest of Vice President Moriguchi as I had requested favors of Marubeni for Kyowa two years before and I thought the money I had received constituted unpardonable reception," he said.

Shiozaki, a senior member of the LDP's second-largest faction headed by Prime Minister Kiichi Miyazawa, told the committee, "I asked Abe to return the money to Kyowa and handed over 20 million yen to him in mid-December after he assured me he would return the money."

He denied allegations that he helped Kyowa acquire a smaller steel frame maker heavily indebted to Sasebo Heavy Industries Co. by persuading the shipbuilding firm to forgive 700 million yen of the 1.1 billion yen debt.

Shiozaki was also questioned by Mankichi Kato of the Social Democratic Party (SDP), Shozo Kusakawa of Komeito, Hideo Kijima of the Japanese Communist Party (JCP), Kansen Nakano of the Democratic Socialist Party (DSP), and Narazaki Yanosuke of Shimpo Minshu Rengo.

He denied suggestions that he passed on the 20 million yen to the Miyazawa faction or that he used the money for Miyazawa's campaign fund for the LDP presidential election last October. Miyazawa won the LDP presidential election and replaced Toshiki Kaifu as prime minister.

Shiozaki also denied any wrongdoing over the sale by Kyowa of a tract of land in Matsuyama to a publishing firm just before the steel-frame company went bankrupt in May 1991.

The publishing firm, Konnichisha, is operated by a relative of Shiozaki's.

Shiozaki said the Konnichisha company bought the land after being asked to do so by the steel-frame maker and Kyowa bank, which merged with Saitama bank to form Kyowa Saitama bank in 1991.

Shiozaki said he did not know that the bank financed the land transaction by lending 850 million yen to the publishing firm.

Suzuki Denies Accepting Money From Kyowa Firm

OW2502054092 Tokyo KYODO in English 0514 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Former Prime Minister Zenko Suzuki denied Tuesday that he had received money from Kyowa Co., a bankrupt steel frame maker at the center of a bribery scandal.

Suzuki told the House of Representatives Budget Committee as an unsworn witness that he did not accept any funds from Kyowa in connection with a membership of an exclusive leisure club which the defunct steel-frame maker was planning to establish.

Suzuki said former State Minister Fumio Abe asked him around November 1989 to become the initiator of the Kojimachi Club but he declined the offer.

The former prime minister said he had held 10 million yen for him.

Abe, who was indicted February 1 for allegedly taking 90 million yen in bribes from Kyowa, repeatedly asked Suzuki to become the club's honorary chairman but he again declined, the former prime minister said.

Suzuki was responding to questions from Budget Committee Chairman Shinjiro Yamamura.

Suzuki, 81, is the first former prime minister to give testimony before a parliamentary panel in nearly three years. Former Prime Minister Yasuhiro Nakasone appeared before the Diet in May 1989 in connection with the Recruit stocks-for-favor scandal.

Sources close to the investigation of the scandal have said Suzuki accepted 160 million yen from Kyowa upon agreeing to become honorary chairman of the Kojimachi Club.

Suzuki reportedly admitted in a paper submitted to prosecutors that he received 10 million yen believed to have come from Kyowa but said he subsequently returned the money.

Following a two-week-long impasse of Diet business last week, the Budget Committee unanimously decided to summon Suzuki as an unsworn witness and former State Minister Jun Shiozaki as a sworn witness to testify in connection with the Kyowa scandal.

Suzuki had been reluctant to testify before the Diet, citing poor health, but formally accepted the summons Monday.

Suzuki previously led the Liberal Democratic Party's second-largest faction, currently headed by Prime Minister Kiichi Miyazawa. Shiozaki is a senior member of the Miyazawa faction, while Abe served as the faction's secretary general until last December.

Sworn witnesses can be indicted on perjury charges if they give false testimony but unsworn witnesses cannot b eheld criminally liable for false statements.

Suzuki served as prime minister between 1980 to 1982. He retired from the Diet and did not run in the 1989 general election for the House of Representatives.

Admits Holding Funds From Abe

OW2502103592 Tokyo KYODO in English 1000 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Former Prime Minister Zenko Suzuki said Tuesday that he had received and "held in custody" 10 million yen from Fumio Abe, a former cabinet minister under indictment in connection with a cash-for-favors scandal.

Suzuki, testifying as an unsworn witness at the House of Representatives Budget Committee, denied giving special favors to Kyowa Co., a defunct maker of steel frames, which is at the center of the bribery case.

Sworn witnesses can be held legally accountable for their testimony while unsworn witnesses cannot.

Abe, a former state minister and director general of the Hokkaido Development Agency, has been indicted on a charge of taking 90 million yen and is currently free on bail of 50 million yen.

Abe, who was one of Prime Minister Kiichi Miyazawa's close allies, is charged with having given special favors to Kyowa on public works projects in Hokkaido.

Suzuki, who was prime minister between 1980 and 1982, and former state minister Jun Shiozaki were summoned before the Budget Committee, which has been looking into the involvement of politicians in the scandal.

Suzuki previously headed the Liberal Democratic Party's No. 2 faction currently led by Miyazawa. Shiozaki is a senior member of the faction, while Abe served as its secretary general until last December.

Shiozaki, who testified as a sworn witness in advance of [words indistinct] said he had received 20 million yen from Kyowa after intervening on behalf of the company with Marubeni Corp., one of Japan's major trading houses.

In Tuesday's testimony, Suzuki denied allegations he was with Abe at an expensive restaurant in Tokyo's Ginza area on December 14, 1989, when Kyowa reportedly asked Abe for special treatment on the strength of his privileged access to confidential information on Hokkaido projects.

Suzuki, who as faction leader has repeatedly helped Abe's election campaigns, told the committee, "after Abe was named a cabinet minister, he came to my office in September 1989, and thanked me, saying he had been helped by me ever since he had been elected to a House of Representatives seat in 1969."

"Then he gave me money in an envelope and asked me to accept it," Suzuki said. "I declined it, but he left the money at my office, saying 'please do not make me feel ashamed'."

After Suzuki found 10 million yen in the brown envelope, he said, he immediately telephoned Abe and told him he "would take custody" of the money, but vowed to return it whenever Abe might need the money back for his political activities.

Suzuki said he eventually returned the money to Abe on November 14, 1991—four months after Kyowa's fraudulent business transactions came to light with the arrest of Kyowa's vice president, Goro Moriguchi, and a senior Marubeni Corp. official.

Suzuki said he neither reported the money as income in his personal tax return nor reported it to the Home Affairs Ministry as political funds, as he regarded it as money "left in my keeping."

Suzuki denied allegations that he received 100 million yen from Kyowa through Abe in April 1990 in exchange for his consent to assume the honorary chairmanship of an exclusive private leisure club combined with a golf course membership, the Kojimachi Club.

He also denied that one of his secretaries had received the 100 million yen, allegedly carried to his office in two paper bags.

"I am answering your questions (on the allegation) after confirmation (of the facts) with my secretary," he said.

"If I have an opportunity to confront Mr. Abe, I want to clarify this point (his failure to accept the money) in his presence," he said.

Suzuki, however, said that he agreed to assume the post of honorary chairmanship on condition that the golf course must be completed first and that the board of governors of the golf course-holding company unanimously request that he assume the post.

Suzuki said he had visited the Tokyo headquarters of Kyowa Co. together with Abe in April 1990 as alleged.

Komeito questioner Shozo Kusakawa pressed Suzuki to clear up allegations that Suzuki and Abe submitted a document during the alleged visit asking Kyowa to give the golf course development contract related to the Kojimachi Club project to a contractor that had financially helped the Miyazawa faction.

Suzuki denied allegations that he had asked Kyowa to cancel its earlier decision to give the contract to Kajima Corp., a leading general contractor, and award it instead to a Miyazawa faction-linked contractor.

"Why would I ask Kyowa to change the beneficiary of the contract from Japan's top contractor Kajima Corp. to another company?" he asked rhetorically.

Earlier in the day, Shiozaki, former director general of the Management and Coordination Agency, acknowledged receiving 20 million yen from Kyowa in exchange for his intervention to bolster Kyowa's dwindling relations with Marubeni.

Marubeni reportedly suspended business relations with Kyowa over a fraud case involving both Kyowa and Marubeni officials.

"I received 20 million yen...at my Diet office one month after I called on Marubeni chairman Kazuo Haruna," Shiozaki said.

"I asked Mr. Haruna to give favorable treatment to Kyowa because I thought a cash-strapped Kyowa, which was concerned that it might lose its smooth business relations with Marubeni, had asked me to do so through Abe," he said.

Shiozaki allegedly acted on Kyowa's behalf because Marubeni severed its relations with Kyowa after finding that one of its officials, Kazuyoshi Kubota—now on trial on charges of swindling 3.65 billion yen from other trading houses—had conspired with Kyowa to falsify steel frame orders for swindling purposes.

Shiozaki denied allegations that he had intervened to cover up Kyowa's fraudulent deals, saying, "I was not aware that such fictitious transactions involving the world giant Marubeni were going on."

He also denied allegations that he had helped Kyowa acquire a smaller steel-frame maker that is heavily in debt to Sasebo Heavy Industries Co. (SEI), by persuading SEI to forgive 700 million yen out of 1.1 billion yen the maker owed the major shipbuilder.

Tashiro Gets Suspended Prison Term for Bribery

OW2502130492 Tokyo KYODO in English 0817 GMT 25 Feb 92

[Text] Osaka, Feb. 25 KYODO—A former opposition Diet member received a suspended two-and-a-half year prison term Tuesday for accepting a 10 million yen bribe in 1985 for political favors.

The Osaka District Court found Fujio Tashiro, 61, guilty and imposed the sentence, which the court suspended for three years. It also fined Tashiro 10 million yen.

At the request of an organization of gravel ship owners in 1985, Tashiro, then a Komeito member in the house of councillors, helped remove government controls on the resale of licenses for gravel ship operators, the court ruled.

The court also gave suspended prison terms to six other defendants for offering the 10 million yen bribe to Tashiro. The six are all former officials of the National Federation of Private Gravel and Stone Shippers Cooperatives Federation.

Tashiro admitted in court that he accepted the 10 million yen, but insisted it was a "political contribution."

Presiding Judge Kinjiro Takahashi ruled that the money constituted a bribe, saying Tashiro exerted his authority as a Diet member.

Officials of the federation handed 10 million yen in cash to Tashiro at a Japanese-style restaurant in Osaka on May 7, 1985, and asked him to use his influence with the Transport Ministry to help the group, the ruling said.

In June 1985, Tashiro submitted a written inquiry to the cabinet, saying restrictions on the gravel shipping federation were "an unfair discrimination," the court ruling said. The restrictions were dropped in 1987.

Tashiro resigned as a member of the upper house in January 1988 after being indicted by prosecutors.

Keidanren, Rengo Agree on Early Budget Passage

OW2502044392 Tokyo KYODO in English 0412 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japan's most influential business and labor groups agreed Tuesday on the need for early Diet passage of a budget for fiscal 1992 starting on April 1 to enable the government to disburse money designed to prop up the economy.

The agreement came at a regular meeting between representatives from the Federation of Economic Organizations (Keidanren) and the Japanese Trade Union Confederation (Rengo), officials of the two groups said.

Keidanren Chairman Gaishi Hiraiwa told the meeting that early passage of the fiscal 1992 budget and the rapid stimulation of public works projects are needed to revive the economy, as business sentiment is deteriorating.

Rengo leader Akira Yamagishi echoed Hiraiwa's comments, saying that passage of the fiscal 1992 budget is "an imminent task."

Diet debate over the budget has been stalled because of two scandals—one involving a former state minister, and another which political analysts say could develop into a major political scandal.

Minister Hata Hints at Probe of Brokerage Deals

OW2502032192 Tokyo KYODO in English 0225 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Finance Minister Tsutomu Hata on Tuesday hinted at an investigation into questionable trading practices involving brokerages and their corporate clients.

Hata, speaking at a press conference, made the comments in reference to the recent disclosure of suits filed against Cosmo Securities Co. and Yamatane Securities Co. by some of their clients for losses incurred through a questionable securities trading practice called "tobashi."

"It's optimistic to think there are no similar such cases," Hata said, referring to tobashi-related investment losses.

Tobashi is a practice by which securities companies sell and repurchase securities from clients at artificial prices, by transfering them among different accounts, to enable the clients to avoid reporting investment losses in their financial statements.

Cosmo and Yamatane were reported over the weekend to have been sued for investment losses arising from transactions involving tobashi practices.

Hata said the Cosmo and Yamatane cases are not a major cause for concern since both brokerages have the financial backing of banks, adding revelations of such cases could in fact prove beneficial to the stock market.

Vice Finance Minister Views Present Yen Level

OW2102124692 Tokyo KYODO in English 1025 GMT 21 Feb 92

[Text] Tokyo, Feb. 21 KYODO—Vice Finance Minister Hiroshi Yasuda indicated Friday that central banks will intervene in the currency exchange market should the dollar continue to strengthen against the yen.

Yasuda said the present levels are not what the Group of Seven (G-7) economic powers agreed at their meeting last month and the currency rates do not reflect economic fundamentals of each nation.

Referring to the weak money supply data, Yasuda said its dull growth is not pressuring the economy and there should not be a problem in respect to fund raising by corporations for the time being.

In January, Japan's broad money supply—cash in circulation, time and demand deposits, and certificates of deposit—grew a mere 1.8 percent year on year to mark the lowest growth in history.

Government: Economic Slowdown Gains Momentum

OW2502005892 Tokyo KYODO in English 0021 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Japan's economy is increasing its deceleration tempo and Prime Minister Kiichi Miyazawa's cabinet is moving toward a smooth shift to sustainable growth without inflation, the Economic Planning Agency (EPA) said Tuesday in a monthly economic report.

The government report for this month, presented to Miyazawa's cabinet, marked the first time since September 1987 that the agency did not use the term "expansion" to describe the economic situation, an agency official said.

Its report for last month said the tempo of economic expansion has slowed.

"The situation does not allow us to continue claiming (economic) expansion," said the official, citing increasing inventories and dull capital spending. He said, however, that there have been earlier signs of contraction.

Asked why the agency did not clearly say that the nation's economy has entered a recession, the official said it is not yet time to judge whether the economy is just taking a rest or shifting toward recession.

The EPA has never used the wording "recession" before in its monthly economic report, though it has used "depressed" or "stagnant" to describe a sluggish economy, he said.

The official said he feels the nation's economy had expanded until last August and since then has entered an adjustment phase.

The deletion of the wording "expansion" does not mean any change in government policies, since the economic situation has gradually shifted into an adjustment phase, the official said.

The EPA, backing up its report released last December, said the government is continuing to keep an eye on economic trends at home and abroad and trying to manage the nation's economy in an appropriate and timely way.

The Bank of Japan cut its official discount rate by 0.5 percentage point to 4.5 percent per annum late last year in an attempt to stimulate the economy.

As an urgent task, the official cited early approval of the fiscal 1992 budget at the current Diet session, which calls for increased spending on public works.

Business Leaders Urge Pump-Priming Measures

OW2502133592 Tokyo KYODO in English 1233 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Business leaders are calling for the government to take further pump-priming measures to boost the nation's dull economy, industry sources said.

A government report saying that the pace of Japan's economic downturn is accelerating, released earlier in the day, was widely interpreted as an official acknowledgment of economic recession, the sources said.

Many business leaders among the electrical, automobile, construction machinery, and steel sectors, criticized the acknowledgment as coming too late, they said.

NEC Corp. President Tadahiro Sekimoto said the report contained "nothing new."

An executive at Kawasaki Steel Corp. expressed his hope for prompt government action following release of the report.

Among the measures being demanded to turn things around are another cut in the official discount rate, early approval of the fiscal 1992 budget, advance implementation of public work projects, and steps to revitalize the sluggish stock market, the sources said.

The auto and housing industries are pushing strongly for lower interest rates, with one official at a leading developer saying, "demand may not revive unless the official discount rate falls to the 3 percent level."

The construction and steel industries are calling for early approval of the budget and advance implementation of public works projects, the sources said. One executive at a major steel company advocated the adoption of a supplementary budget of around 1 trillion yen early in the autumn, they said.

The 72.22 trillion yen budget for fiscal 1992, aimed at bolstering the domestic economy, includes a relatively generous outlay for public works spending, with an increase of 5.3 percent from the previous year in terms of the general account.

"Early comprehensive measures are necessary to prop up the economy so as to head off pessimism about the future," said an official at Ishikawajima-Harima Heavy Industries Co.

While admitting the need for fiscal policy adjustments to boost the economy, the Japan Trade Union Confederation (Rengo) criticized the calls by the management side for lower interest rates, with one Rengo official saying that pump-priming measures slanted toward monetary policies might cause the reappearance of aspects of the "bubble" economy such as land price appreciation.

Rengo claimed that loans to real estate companies should again be restricted to check a further rise in land prices, while fiscal investment and loans should be used for housing and welfare, the industry sources said.

Meanwhile, a high-ranking Ministry of International Trade and Industry official stressed that it is necessary to lower the interest rates on lending and to place advance orders for public works.

The ministry has begun to think the economic adjustment phase may drag on after the industrial production index showed quarter-to-quarter declines in the January-March, April-June, and October-December periods, the official, who wants to be unidentified, said.

Market 'Players' Anticipate Discount Rate Cut

OW2502133892 Tokyo KYODO in English 1048 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Money market players, responding to a government monthly report released Tuesday indicating a further slowdown in Japan's economy, are anticipating an economy-stimulating cut in the official discount rate possibly early next month.

An analyst at a major commercial bank predicted the Bank of Japan (BOJ) could lower the discount rate by 0.5 percentage point to 4.0 percent per annum, depending on the contents of the central bank's "Tankan" report on quarterly business outlook to be released March 6.

The key rate was cut by one half percentage point on December 30 to 4.5 percent.

Market players are shifting their fund-raising activities to shorter-term funds based on such speculations, while the market is beginning to discount the possibility of a discount rate cut, the analyst said.

The longer end of the Tokyo money market eased Tuesday, where the rate on newly issued three-month certificates of deposit (CD) shed 0.05 point from Monday to 5.10 percent, marking the lowest figure for this month.

In interbank trading, unsecured overnight call money rates remained basically unchanged.

A BOJ official checked such moves in the market, however, saying the current slowdown of the nation's economy is within the expected range, and the central bank will continue monitoring the effects of past discount rate cuts.

He implied that the BOJ may intervene by tightening its supply of market funds should the market rates decline too steeply.

But many market analysts noted that as stock prices remain sluggish and the economy substantially loses energy, it will be difficult for authorities to allow interest rates to rise.

'Inventory Adjustment' Seen Slowing Production

OW2502050092 Tokyo KYODO in English 0438 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—High-ranking officials of the Ministry of International Trade and Industry [MITI] told Prime Minister Kiichi Miyazawa Tuesday that the on-going inventory adjustment is expected to drag on for some time, continuing to place a damper on industrial production.

Asked by Miyazawa to present a briefing on the recent output trend, MITI's Vice Minister Yuji Tanahashi and other senior officials said the ministry's recent industrial production figures underscore that "the economy was in a rather sharp downward trend, particularly in the last three months last year," a ministry official said.

Output at mines and factories posted minus growth in three out of the four quarters last year, with that in the fourth quarter down 1.1 percent from the preceding three months and down 1.5 percent from a year earlier.

They also said investment adjustment is unlikely to be completed for the time being, with company executives still bearish about their business outlook, as was indicated by a recent MITI survey.

Miyazawa instructed the MITI officials to closely watch future movements in capital spending and inventory stockpiles, according to the official.

NTT To Procure Computers With 'Open System'

OW2502133492 Tokyo KYODO in English 0838 GMT 25 Feb 92

[Text] Tokyo, Feb. 25 KYODO—Nippon Telegraph and Telephone Corp. (NTT) will procure computers on condition they conform to an "open system," which allows different models to work with same software, NTT officials said Tuesday.

The move by the telecommunications giant may press computer makers, who have tried to keep customers by saying replacement with competitors' models would make software in stock useless, to adopt "open system" models, industry sources said.

Early this month, NTT became a member of X-Open Co., an international computer users' organization pursuing standardization of the open system, the officials said.

NTT has made preparations for procurement of open-system computer models since last January, when the company disclosed its original specifications for mainframe computers to be procured in future, they said.

In joining X-Open, NTT will try to adopt the open system gradually for all computers, ranging from workstations and personal computers to mainframe models.

Since X-Open's specifications cover models larger than personal computers, NTT cannot adopt the open system for smaller computers for the time being, they said.

Although computer users hope for an early introduction of the open system, which allows them to use whatever software they like, few open-system models are available in Japan, the sources said.

Okita Against Creation of Environment Ministry

OW2102095892 Tokyo KYODO in English 0814 GMT 21 Feb 92

[Text] Tokyo, Feb. 21 KYODO—The government does not need to upgrade the Environment Agency to ministry status to increase its effectiveness, a former foreign minister and adviser to the Foreign Ministry said Friday.

Saburo Okita told a press luncheon at the Foreign Correspondents Club that some members of the ruling Liberal Democratic Party (LDP) favor the idea of an environment ministry.

"The idea is to raise the status of environment issues. But we must not overlook the possibility of disadvantages in a possible change to a ministry, because the agency is now inside the prime minister's office and can coordinate with each of the ministries," he said.

"But if it becomes a ministry, it will lose that coordinating function," Okita said.

Environmentalist groups and some LDP members say the agency is understaffed and incapable of responding to domestic environmental issues as well as Japan's increasingly higher profile at international conferences on the environment.

"My personal feeling is rather to strengthen the coordinating authority of the Environment Agency," Okita said.

He was speaking on Japan's role in solving environmental problems prior to the U.N. Conference on the Environment and Development (UNCED)—known unofficially as the "Earth Summit"—to be held in Brazil in June.

Okita has a lengthy association with Japan's official role in international environmental forums, including membership of the Club of Rome since 1969 and participation as a commissioner in the U.N. World Commission on Environment and Development.

He served as foreign minister from 1979 to 1980 under then Prime Minister Masayoshi Ohira.

Okita said Japan is becoming "the meat in the sandwich" in regard to environmental issues because of its trading surplus with many countries, particularly the United States.

He said many nations are serving notice they will use the earth summit to press developed countries to supply some form of financial compensation to developing countries which opt not to develop their untapped natural resources.

"Recently, I was at a U.S.-Japan business conference in Washington and there was heavy pressure on Japan to reduce the surplus," Okita said.

"I was in India two weeks ago and met the Indian foreign minister and others. Some said Japan should not follow the U.S. requests to cut the surplus but should supply it to developing countries," he added.

Prominent Women Form Conservation Lobby Group

OW2002141192 Tokyo KYODO in English 1345 GMT 20 Feb 92

[Text] Tokyo, Feb. 20 KYODO—A group of 150 women politicians, activists, television personalities and journalists formed an all-women's conservation lobby group in Tokyo on Thursday.

The group, known as "Global Environment - Women's Contact Group" will serve as an information network and center for international exchange.

It will send representatives to the United Nations Conference on the Environment and Development (UNCED) in Rio de Janeiro, Brazil, in June.

The inaugural meeting of the group, called by Social Democratic Party (SDP) member Akiko Domoto, attracted participation from several other female politicians, including former SDP leader Takako Doi and Komeito member Wakako Hiranaka.

Other woman who joined included mountaineer Michiko Imai, actress Kaoru Yachigusa, French-born, Japan-based author and consultant Francoise Morechand, and music critic Reiko Yukawa.

The group formed several subcommittees, including a study group which will prepare a statement for submission to UNCED.

The group's members said they base their effors on the fact that although women form the backbone of nature conservation, antipollution and consumer movements, they have so far failed to make their strength felt at an international level.

Species Protection Proposed to Environment Group

OW2402152492 Tokyo KYODO in English 1355 GMT 24 Feb 92

[Text] Tokyo, Feb. 24 KYODO—A government advisory panel proposed to Environment Agency Director General Shozaburo Nakamura on Monday the setting up of wilderness areas for the preservation of threatened species of flora and fauna.

The panel proposed that the government establish a list of designated species for protection and place a complete ban on human entry to such species' habitats as well as severely restricting the collection and distribution of such species.

The proposals are the first comprehensive attempt to protect the nation's threatened flora and fauna. Their main thrust is that threatened species cannot be adequately protected unless their habitats are preserved.

The agency will use the proposals to prepare a legislative package, provisionally known as the "Preservation of Endangered Species of Wild Fauna and Flora Bill," for presentation to the Diet in early March.

The proposals are based on the premise that under current circumstances, wild flora and fauna cannot be protected from extinction without urgent human intervention.

It argues that threatened species cannot be treated in isolation, but should also have their habitats set aside for future propagation by banning entry to specified regions which serve as their breeding grounds.

It also calls on Japan to cooperate with other developed nations in carrying out the terms of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)—unofficially known as the Washington Convention—by setting up a data base to collate information on world trade in wild fauna and flora.

The proposals were prepared ahead of the eighth conference in Kyoto of cites member countries from March 2 to 13.

North Korea

U.S. Human Rights 'Offensive' Condemned

SK2502052192 Pyongyang KCNA in English 0455 GMT 25 Feb 92

["'Human Rights' Offensive Is Main Expedience of 'Peaceful Transition' Strategy"—KCNA headline]

[Text] Pyongyang February 25 (KCNA)—It is foolish of the U.S. imperialists to try to destroy the faith in socialism among the people with a hue and cry over the "human rights" problem, says NODONG SINMUN in a by-lined article today.

The U.S. rulers freely term the socialist countries as "violators of human rights" and take issue with the "human rights" situation in these countries. Further, they are threatening that if the socialist countries fail to solve the "human rights" problem, the United States would put political, diplomatic and economic pressure on them, the article notes, and stresses:

The U.S. imperialists are persistently resorting to the "peaceful transition" strategy aimed at disintegrating socialism from within, while pursuing the policy of strength. They regard the "human rights" offensive as a main lever of this strategy.

The United States is seeking to mar the image of socialism and isolate socialist countries with outcries over the "human rights" problem. There is no human rights problem in the socialist countries and it cannot be raised.

The United States intends to veil the violation of human rights in the capitalist countries by bringing forward the "human rights" problem in socialist countries.

In crying over the "human rights" problem in socialist countries the United States seeks to instigate the anti-socialist elements in these countries to create social confusion and discontent.

Alleging that Cuba is "persistently following the mode of infringing upon universally recognized human rights", the U.S. imperialists demand that it observe the "norms of human rights". Last year the United States brought up the "human rights" problem in Cuba at the United Nations Commission on Human Rights and tried to inveigle other countries into putting pressure on Cuba.

The United States made a malicious "human rights" offensive against the DPRK, too. It is seeking to isolate the DPRK and bring about some "changes" within it by vilifying it.

No matter how desperately the United States may slander the DPRK over the "human rights" problem, it cannot work and our-style socialism centred on the popular masses is making a long drive without vacillation.

The United States must stop at once the "human rights" offensive against the socialist countries.

Kim Il-song's Talk With N-S Delegates Praised

SK2502114992 Pyongyang KCNA in English 1059 GMT 25 Feb 92

[Text] Pyongyang February 25 (KCNA)—NODONG SINMUN today carries a by-lined article headlined "Inspiring Banner for Great Unity of Whole Nation".

The article says:

The great leader Comrade Kim Il-song has taught in his talk with the members of the delegations of both sides to the inter-Korean high-level talks:

"Everyone, being a Korean, should put the common interests of the nation to the fore, and subordinate everything to it and unite on the basis of patriotism and the spirit of national independence."

The teachings of the great leader are an inspiring banner and highly important guideline which rallies the whole nation who aspire after national reunification in the grand united front of the nation in the basic spirit of North-South agreement and encourages them to turn out as one to nation-wide work for peace in the country and its reunification, the paper says, and goes on:

It is the basic idea of the North-South agreement to achieve the great unity of the nation.

For reconciliation and reunification the North and the South should achieve the great unity of the nation transcending differences in ideology and social system.

If the North and the South reject the other and consider the other heretical for difference in ideology and ideal within the nation, it will, in the long run, only benefit the outside forces that try to divide and rule our nation.

For the great unity of the nation it is necessary to pull down the barrier of idea and system and enforce the politics inclining to the great unity of the whole nation and patriotism.

The great unity of the nation is a fundamental prerequisite to the independent, peaceful reunification of the country.

The driving force of national reunification is the entire Korean nation.

A decisive guarantee for the independent and peaceful reunification of the country lies in firmly uniting the whole nation into one and strengthening the driving force of reunification.

If the whole nation who long for reunification fight in unity, they can destroy any maneuverings of the splittist forces opposing reunification within and without and achieve the reunification of the country, the cherished desire of the nation.

Reunification leads to patriotism, whereas division leads to treachery.

Broad sections of the fellow countrymen in the North, the South and overseas must put the nation's common interests to the fore, subordinate everything to it and firmly unite on the basis of patriotism and in the spirit of national independence, irrespective of the difference in ideology, system and religious beliefs.

And they must make tangible contributions to the cause of national reunification, those who have strength by giving strength, those who have knowledge by donating knowledge and those who have money by donating money, according to their background and conditions.

North Reporters Review N-S High-Level Talks

SK2302033692 Pyongyang Korean Central Broadcasting Network in Korean 1443 GMT 21 Feb 92

[Dialogue by reporters Kim Yong-sun and Chong Sun-kwan in the station studio after covering DPRK-ROK premiers talks in Pyongyang—live]

[Excerpts] [Kim Yong-sun] Hello, Mr. Chong!

[Chong Sun-kwan] Hello, Mr. Kim!

[Kim] In Pyongyang, the sixth round of the North-South high-level talks was held. I think that as a reporter who covered the talks you have many opinions on their outcome. Now, I would like to discuss your opinions.

[Chong] Good! As you know, the sixth round of the North-South high-level talks took place in the People's Hall of Culture in the revolution's capital, Pyongyang, on 19 and 20 February. At the first day session, the North and South exchanged the texts of joint agreements adopted between both sides, including the Agreement on Reconciliation, Nonaggression, Cooperation, and Exchange Between the North and the South and the Joint Declaration of Denuclearization on the Korean Peninsula. Both sides also declared the effectuation of the agreements to the world. The agreement on the formation and operation of the subcommittees to the North-South high-level talks, which was agreed and provisionally signed at the delegates' contact, was officially signed, adopted, and effectuated by both side's premiers. On this historic occasion, all the participants in the talks warmly congratulated the adoption and effectuation of the agreement.

[Kim] All the people of the North and the South warmly welcomed it and were joyfully excited and jubilant when the 4 July joint communique was announced 20 years ago. Likewise, the people are full of deep emotion and joy over the fruition achieved during the talks, which is just as good as that of the 4 July joint communique, isn't it?

[Chong] Why not? The fruition is just as significant as that of the 4 July joint communique. The contents of the agreements comprehensively include various issues which provide a turning point to guarantee the nation's peace and are favorable to peaceful reunification. The adoption of such comprehensive and practical agreements is an epochal event and great national festive event, bringing about the spring of reconciliation and bright prospects for reunification to this land, which has been divided and dotted with distrust and confrontation for almost a half century.

[Kim] Yes, you are right.

[Chong] The North-South agreement and the joint declaration of denuclearization are a declaration of the nation's great unity, a declaration of the party's consensus, a declaration of cooperation in the nation, which encompasses 70 million people's will for unity, peace, and reunification.

[Kim] Right.

[Chong] The reporters from the North and the South as well as from the foreign news agencies were very happy about this and said in consensus that this is, indeed, an historic event and that eventually we could see a valuable fruition. Saying that in the end the North's reunification lines brought forth a valuable fruit, the foreign media reporters congratulated us and stated: You must be very happy, because the North's steady efforts toward reunification brought forth fruit. Now, the door for reunification has opened. The world will welcome this event.

[Kim] I see.

[Chong] This reflects the feelings of all the people who witnessed these talks, as they are. Moreover, I think that this is a concerted evaluation by the world's people of good sense.

[Kim] Yes, you are right.

[Chong] I think that the adoption and effectuation of the texts of the North-South agreements is entirely a brilliant fruition of the respected leader Comrade Kim Il-song's sagacious leadership. They also indicate the justness of our party's and republic's government's policies for the Korean people's fatherland reunification and the fruit of the consistent efforts to realize it.

[Kim] Yes, you are right. As everyone well knows, the great leader Comrade Kim Il-song has set the fatherland's reunification as the nation's utmost task from the first day of our fatherland being divided into the North and the South. He elucidated a three-point principle—independence, peace, and reunification—to realize it. On each important occasion, he made important proposals on peace and revealed the great principles of the proposal for a confederal system based on one nation, one state, two systems, and two governments, didn't he?

[Chong] Right.

[Kim] The great leader and the dear leader, in particular, attached great importance to the North-South high-level talks; repeatedly revealed the most reasonable, realistic ways; and wisely led us toward the successful conclusion, so that the talks can promote national reconciliation, positively promise nonaggression, and open the road toward cooperation and exchange in line with all the nation's expectations and desires.

[Chong] Right.

[Kim] In the whole process of the talks, our side magnamimously has presented compromising proposals, made concessions, and showed generosity from our sincere motive to open a new phase for the country's peace and peaceful reunification. In this way, we have made every effort to lead the talks to success. Although the South side was reliant on outside forces and war-oriented while discussing the issues at the talks, our side exercised consistent patience and self-restraint and sought agreement on articles one by one by persuading the other side in our independent, reunification-oriented, and peace-oriented manners. Thanks to our side's just position and sincere efforts of consistently maintaining the lines of one Korea, peace, and the nation's great unity, the North-South joint agreements were provided and went into effect before the whole world at the historic Pyongyang talks.

The North-South high level talks have not proceeded smoothly during the approximately one-and-a-half years since they began. The atmosphere at the talking sites both at home and abroad has not always been filled with overwhelmingly good feeling.

[Chong] Right, no need for a lengthy explanation. We know this from the incidents that took place for approximately two months after the beginning of the fifth round of the North-South high-level talks, which adopted the North-South agreement.

[Kim] Right.

[Chong] During this period, the South Korean authorities daily acted in such a way as to throw a wet blanket over the people's desire for peace and reunification.

[Kim] Right.

[Chong] They announced that since the agreement has been adopted, nonaggression can be confirmed and the Team Spirit joint military exercise will be discontinued this year. However, they conducted northward invasion war exercises of various kinds, including a large-scale joint air strike exercise with the United States. They conducted a military provocation within the Demilitarized Zone along the Military Demarcation Line. They continued to commit such acts as aggravating tension.

[Kim] Right.

[Chong] The South Korean authorities said they would promote reconciliation; however, they have still maintain the National Security Law, which regards the North as the enemy. They have arrested people who have visited the North, including Rev. Mun Ik-hwan and Yim Su-kyong. These facts show that even though they are talking about reconciliation, peace, and reunification, they, in fact, have no intention to alleviate confrontation and tension and to promote reconciliation, unity, peace, and reunification. Thus, we have no choice but to doubt their intention to implement the North-South agreement.

[Kim] Yes.

[Chong] Even though the validation of the agreement was proclaimed, we cannot reach a hasty conclusion. This is the consensus of our reporters covering the talks.

[Kim] The second-day meeting was held at the People's Palace of Culture, too? Would you briefly talk about the issues discussed there?

[Chong] Yes, I will. On the second day, 20 February, the talks were held at the People's Palace of Culture beginning at 0900.

They discussed putting into practice the documents on the agreement on North-South reconciliation, nonaggression, and cooperation and exchanges; on the joint declaration on the denuclearization of the Korean peninsula; and on the agreement on forming and operating the subcommittees of the North-South high- level talks.

[Kim] I see.

[Chong] At the same day, our side stressed the significance of the validated North-South documents of agreements. Our side declared three-principled stances on properly implementing the North-South agreement based on the three principles of national reunification, on firmly taking an independent attitude to expedite the independent and peaceful reunification of the fatherland, and on resolving all issues from the standpoint of the great national unity, with the right attitude of giving priority to creating a precondition for peaceful reunification.

[Kim] Right.

[Chong] Our side revealed our opinions on the basic tasks which the North-South high-level talks should settle in the future, such as actively promoting the task of subcommittees; properly operating a joint committee; properly setting up a general procedure required by agreement and practice; and urgently negotiating and resolving any important question that may arise within the framework of the agreement.

[Kim] Right.

[Chong] And, our side proposed that the North and the South take a joint measure on the comfort girls issue—result of the Japanese colonial rule—and on Japan's attempt to arm itself with nuclear weapons. In connection with this, our side cordially proposed that both North and South urgently negotiate a joint measure to cope with the issue and adopt a joint resolution between both sides' authorities. We well know that such proposals by us contain our patriotic and nation-loving will for reunification. They also contain an independent stance not only to open a decisive phase favorable for independent and peaceful reunification by sincerely putting into practice the North-South agreement but also to jointly maintain national dignity and (?interests) on the international arena.

There were, however, serious speeches and acts throwing a dark cloud over the smooth implementation of the North-South agreement in the course of the talks. That is to say, the South side turned a deaf ear to giving up the idea of depending upon foreign forces; to taking the national independent stance; to realizing the arms cuts, which is a practical guarantee to observe nonaggression; to removing the legal and institutional system undermining North-South reconciliation and unity; and to releasing those arrested on charges of visiting the North. These issues have earnest and basic significance in implementing the North-South agreement. Rather, the South side again put forward the issue of the splittist recognition of entity. It kicked up various maneuvers to claim the rationale of the proposal of the Korean Commonwealth of Unification—the so-called desire to reunify an institution.

To sum up the South side's stance: the North and the South should recognize both sides as an entity, continuously live separately, and gradually approach the issue of peace and reunification. This can only be interpreted as how not to achieve reunification.

[Kim] Right.

[Chong] What is worse, while claiming that we delayed accepting nuclear inspection, the South side proposed a test inspection.

[Kim] Right.

[Chong] As for an international nuclear inspection, you know there is no cause or fact for the South side to intervene.

[Kim] Right.

[Chong] The South side talked about nuclear danger in regard to the North and the delay of a nuclear inspection. This can only be interpreted as an allegation to bring about a provocation.

[Kim] Right.

[Chong] The South side's people frequently talk about the so-called nuclear danger, but they take a negative attitude toward our side's proposal that the North and South cope jointly with the Japanese attempt to arm itself with nuclear weapons.

[Kim] Yes.

[Chong] The South side has turned a deaf ear to the real existence of danger—Japan's attempt to arm itself with nuclear weapons. It raves about the fictitious danger of our developing nuclear weapons. This cannot be construed as a genuine attitude toward the removal of the nuclear danger hovering over the nation.

[Kim] Right.

[Chong] The South side objected to our side's proposal that the North and the South should take a joint step to encourage the Japanese side to apologize and compensate for comfort girls. Is this the act of someone who is accustomed to only joining hands with aggressive foreign forces to sell the interest of the fellow countrymen?

[Kim] Yes, it is. [passage omitted]

Did the great leader Comrade Kim Il-song receive the South sides' delegates led by Chong Won-sik who came to Pyongyang to attend the sixth round of the North-South high-level talks?

[Chong] Right, the great leader received the South side's delegation on 20 February. Our side's delegation led by Premier Yon Hyong-muk also attended the meeting. The great leader warmly welcomed the South side's delegates to the sixth round of the North-South high-level talks. He said that the proclamation of the validation of the historic joint declaration on the North-South agreement and on denuclearization all over the world is a special event in the history of the national reunification movement. He issued an important press statement which will be a guide in achieving the national peace and reunification by pooling the strength of the North and the South.

[Kim] Right.

[Chong] As you already know, all fellow countrymen who heard the press statement issued by the great leader are now full of the hope and confidence for national reunification.

[Kim] Yes. Putting into practice the text of the North-South joint agreement is important, I think.

[Chong] Does a standard of a truth lie in practice, not words?

[Kim] Yes.

[Chong] The document, the North-South agreement—a national common program to expedite reunification—is not only promise between both sides which have duties toward each other, but also a sacred and solemn pledge to 70 million fellow countrymen.

Not content with the proclamation of the validation of the documents of the historic joint agreements, the North and South should immediately put them into practice. They should expedite a reunified peaceful fatherland as fellow countrymen desire.

The South side should take the sincere attitude of trying to resolve the issues of national peace and national reunification from the national independent standpoint and through national independent strength. It should sincerely put into practice the texts of the North-South agreement. This is what I saw and felt in the course of covering the talks.

[Kim] Let us stop today's meeting.

Wage Increase Reveals Socialism's 'Superiority'

SK2502032592 Pyongyang Korean Central Broadcasting Network in Korean 0000 GMT 19 Feb 92

[NODONG SINMUN 19 February editorial: "Popular Policy Which Vigorously Displays the Superiority of Socialism of Our Own Style"]

[Text] At a time when the entire nation is seething with high political zeal on the occasion of the auspicious February holiday, our people have heard another exciting report. The DPRK Central People's Committee [CPC] published a decree implementating the policy for increasing the living allowances of all workers, technicians, and office employees and for increasing the income of cooperative peasants.

The decree will increase the living allowances of workers, technicians, and office employees by an average of 43.4 percent and social security pensions for social security beneficiaries by an average of 50.7 percent. It will increase scholarships for students in schools at all levels, including universities and technical schools, and will increase the distribution income of cooperative peasants, and the state's purchasing price of rice by 26.2 percent and of corn by 44.8 percent. The state's purchasing price of some other agricultural products will also be increased.

This is a great event for drastically increasing the workers' income on an unprecedented scale. It is an epoch-making step for giving more state benefits to the people.

This popular policy contains our party's lofty intention to make every effort to ensure a more abundant and civilized life for the people according to the advancement of socialist construction.

Implementation of the popular policy for increasing the workers' overall income is very significant in giving full play to the might of socialism of our own style, which embodies the chuche idea, and in further accelerating the revolution and construction.

Dear leader Comrade Kim Chong-il has pointed out: The popular policy of our party and government intensively shows the superiority of the popular mass-centered socialism of our country.

This policy clearly demonstrates the justness and vitality of the great chuche idea, which brought into bloom the independent and creative life for the popular masses, and of our party's policy, which is the embodiment of the chuche idea.

An important demand of the chuche idea is to ensure a rich material life, an independent political life, and a sound ideological and cultural life for the people. Because our party and the government assume the chuche idea, which makes everything serve the popular masses, as a firm guideline, they have been able to implement popular policies constantly, even in conditions of enormous amounts of state investment being required in socialist construction.

The policies implemented by our party were historic ones that vigorously displayed the indomitability and superiority of socialism of our own style.

Our socialism, which has a genuine socialist economic system contributing to the people's life and the most powerful self-reliant national economy, today substantively guarantees all conditions for everyone's lives in terms of eating food, wearing clothes, and using materials. Our people are supplied by the state with food as inexpensively as if it were free and are guaranteed all conditions required for food, clothing, and shelter. We have the benefit of free education and free medical treatment.

Because the state and society pay great attention to promoting the people's living standard, the allowances for workers' living have been increased constantly and systematically in our country according to the progress in socialist construction.

The popular policies implemented in our country will deal a severe blow to the imperialists' antisocialist maneuvers while giving great confidence to the people who are pursuing socialism and struggling for the just cause.

Our party's popular policies are very significant in further strengthening the single-hearted unity and cohesion of our society, where the party and people are linked to each other with blood ties.

Today, our people, foreseeing a happier future in the party's leadership, entrusted the party with everything and are advancing by loyally upholding the party's cause.

Because of the party's endless enactment of people-oriented policy, our people's trust for the party is becoming even more resolute.

The people-oriented policy implemented at this time is a noble result of the lofty intention and wise leadership of our party, which regards the enhancement of the people's lives as the greatest principle in its activities.

Our party is a great motherly party endlessly valuing and loving the people and realizes their demands and interest through a practical struggle.

The working-class party, which is responsible for and guides the people's fate, must be completely responsible for and carefully watch over not only their political and ideological life but also their material and cultural life.

Our party, which regards the popular masses as the most precious beings in the entire world, is carefully watching over all the people's political life throughout the country and every nook and cranny of their living. Also, our party is endlessly providing policies for the people.

To equally improve all the people's lives, our party greatly increased the living allowances of workers, technicians, and office employees on many occasions and drastically reduced the price of the people's consumer goods. Also, monumental measures were taken, such as supplying clothes and school supplies free of charge throughout the nation to all children and students ranging from nursery and kindergarten to universities.

With the improvement of our people's living standard, our party all the more endlessly struggles to give greater happiness and satisfaction to the people. Our party formed the light industrial revolutionary policy and the policy that farming is the best to cause a monumental turning point in the struggle to improve the people's lives. Also, an important struggle goal stated by our party is to further solve smoothly the people's food, clothing, and housing problems in accordance with the socialist demand. Our party is wisely leading the people in the struggle to realize this.

The people-oriented policy being implemented in our country cannot happen without the wise leadership of our party, which is endlessly consolidating a basis for a self-dependent national economy for our people's greater happiness and material welfare.

Our party thoroughly fulfilled the self-dependent national economic construction line and thus strengthened the country's economic might. Based on this, our party wisely led the struggle to promote the people's welfare systematically.

By consistently adhering to the self-dependent national economic construction line in the economic construction sector under the party's leadership, we magnificently built a diverse and overall economy that can produce and supply by itself the heavy and light industrial products and agricultural products necessary for making our country rich and our people's lives better.

Especially, during the last few years, under our party's wise leadership, the great socialist construction work was vigorously promoted. Thus, many monumental creations were built throughout the country. By successfully accelerating the chucheization, modernization, and scientization of the people's economy, the socialist material and technical basis were strengthened beyond comparison.

Because of the deep benevolent care of our party, which made the slogan, "Serving the people" and developed the great politics of loving the people, our people are not only enjoying a stable life without the slightest inconvenience and worry but are also guaranteed richer and happier living conditions with each passing day. This happiness is precious and cannot be compared with anything else and is becoming all the more so with the passage of time.

A lofty duty of the fighters is to deeply bear in mind the benevolence of the party, which is endlessly providing great consideration and love, and to repay it with loyalty and devotion.

All the functionaries and party members and all the people of the entire country must entrust their fate to our party, which gave us great honor and happiness; loyally uphold the party's leadership with faith and integrity; and brilliantly realize the party's intention and plan.

All the party members and workers must further highly uphold the banner of the three revolutions—ideological, technological, and cultural—and bring about a great upsurge in production in all sectors of the people's economy so that the party's grand economic construction goal can be brilliantly realized.

The functionaries must thoroughly fulfill not only our party's policy that farming is the best but also the light industrial revolutionary policy and build houses on a large-scale so that the problem of food, clothing, and housing can be smoothly solved according to the socialist demand. Also they must work so that our party's people-oriented policy and consideration can be all the more attuned to each home and individual.

Our people's great happiness and glory is to advance according to the dear leader Comrade Kim Chong-il, who is endlessly elucidating the superiority of socialism of our own style by highly upholding the banner of the great chuche idea.

All the party members and workers of the entire country must deeply bear in mind the pride of living and carrying out the revolution in the embrace of the great motherly party. They must further vigorously advance along the victorious road as taught by the party.

KCNA Reviews 25 Feb Pyongyang Press

SK2502060692 Pyongyang KCNA in English 0510 GMT 25 Feb 92

[Press review]

[Text] Pyongyang February 25 (KCNA)—Papers here today frontpage a photo-accompanied report that the great leader President Kim Il-sung received a congratulatory group of Koreans in Japan visiting the homeland to celebrate the 50th birthday of Comrade Kim Chong-il.

Appearing in the press are messages of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Jabir al-Ahmad al-Jabir al-Sabah, Amir of the State of Kuwait, on the national day of Kuwait and to Noor Hassanali upon his reelection as president of the Republic of Trinidad and Tobago.

NODONG SINMUN carries a letter to President Kim Il-song from Namibian President Sam Nujoma upon the adoption of the North-South agreement.

Appearing in the paper is a report that he received a message from Lebanese President Ilyas al-Hirawi in reply to his message of greetings on the occasion of the 48th anniversary of the independence of Lebanon.

The paper runs an article stressing that the talk of President Kim Il-song to the members of the delegations of both sides to the inter-Korean high-level talks serves an inspiring banner rousing the whole nation to the work for national reunification in great unity and conveys voices at home and abroad supporting this talk.

The paper carries a letter to the dear leader Comrade Kim Chong- il from the participants in the 27th national scientific seminar on the chuche idea held in Japan in celebration of his 50th birthday and an account of the grand seminar.

Comrade Kim Chong-il received a letter of thanks from the head of the delegation of the party, the state and armed forces of the Republic of Cuba, says the paper.

It is reported in the paper that the New Communist Party of Great Britain decided to distribute Comrade Kim Chong-il's work "Historical Lesson in Building Socialism and the General Line of Our Party" to the members of the party Central Committee to make a deep study of it, and that foreign papers and T.V. widely introduced Kimjongilia.

Given in the press is news that Comrade Kim Chong-il received congratulatory messages and letters from different countries on his 50th birthday.

NODONG SINMUN says that more than 20,000 pieces of gifts to Comrade Kim Chong-il from 140 countries and international organizations in a little more than a decade are a clear manifestation of world progressive people's undisputed trust and reverence for him.

Papers here today allot much space to the 28th anniversary of the publication of the theses on the socialist rural question (February 25, 1964). Featured in the press are editorials calling for accelerating the complete victory of socialism through a thoroughgoing implementation of the theses and achievements made in implementing the theses.

NODONG SINMUN informs the readers that a national committee for the study of the chuche idea was formed in Uganda.

Accounts of the 23rd plenary meeting of the Central Committee of the General Federation of Trade Unions of Korea and the 18th plenary meeting of the Central Committee of the Union of Agricultural Working People of Korea are given in the paper.

The paper reports that the regional centre of Asia and Oceania of the International Organization of Journalists was opened in Pyongyang and a press conference on this occasion was held.

South Korean news columns of the press include reports that a struggle is underway in demand of the step-down of the No "regime" and the abolition of the "National Security Law", complaints were brought against the authorities at the International Labour Organization and an inhabitant exposed the fact that the Japanese imperialists murdered Korean labor draftees for food.

An article of NODONG SINMUN accuses the South Korean authorities of resorting to confrontation and war moves.

It is reported in the press that Comrade Fidel Castro elaborated on the question of the development of science and technology, Indian and Moscow papers laid bare Japan's moves for nuclear armament, Army Day was observed in Moscow, the fifth meeting of the Chamber of Commerce and Industy of the Group of 77 was held and the Chinese militia and reserve units participated in the irrigation construction of crop fields.

Papers introduce Kuwait.

A NODONG SINMUN article hits out the malicious "human rights" offensive of the United States against the socialist countries.

South Korea

U.S. Commerce Report Said To Ignore Realities

SK2502002992 Seoul KYONGHYANG SINMUN in Korean 23 Feb 92 p 3

[Editorial: "Trade Pressure From the United States Is an Unrighteous Act"]

[Text] A study of a report prepared by the American Chamber of Commerce in Korea, entitled "Annual Report on ROK-U.S. Trade in 1992," leaves the readers with an impression that the two countries' trade relations are characterized as "assailant-victim" relations. It is hard to understand how such relations can exist in trade that is built on the principle of reciprocity. Nonetheless, the American Chamber of Commerce in Korea, presumed to know realities in Korea, its economic situation in particular, better than anybody else, has used such an expression without hesitation.

What now surprises us, first, is that the two countries are poles apart in viewing the degree of Korea's market opening. The American Chamber of Commerce in Korea report insists that "the remarkable market-opening by Korea is not voluntary, but owing to pressure from the United States and other countries." Underlying this rhetoric is an insistence that one must keep teaching "Korea, a country of unfair trade practices," lessons without ceasing. This may mean that only when "victims" keep punishing will the "injurer" countries reluctantly open up their markets.

This, however, flatly ignores realities in Korea, which has been in a hurry to adapt itself to the international trends and to open itself up to the outside world in order to survive, if for no other reason. Korea, which has already emerged as the world's 12th largest trading country, is proud of its voluntary opening of its market in keeping with its international standing. Nevertheless, the American Chamber of Commerce in Korea portrays Korea's market-opening as a result of pressure from outside. Why?

Second, the American Chamber of Commerce in Korea should also acknowledge that Korea has made sincere efforts in expanding the degree of market-opening. Except for a few agricultural items, Korea has opened its market to virtually all kinds of goods, and the United States must have been happy with the ROK-United States negotiations to opening up the Korean market to communications equipment. Korea has also published a three-phase timetable for opening its market to foreign banks. In addition, Korea has been expanding the degree of market-opening to such other pending items as distribution, transportation, insurance, and intellectual property. The American Chamber of Commerce in Korea should not overlook or underestimate this.

Third, it must be pointed out that in its call for Korea to open its market, the American Chamber of Commerce in Korea is somewhat unreasonable. For example, it demanded that Korea increase the time for broadcasting advertisements on Korean television as well as the broadcasting hours, and even to increase the number of TV stations. By pressing Korea to accept such demands, the United States runs the risk of going beyond trading norms and appears to be unreasonably trying to dampen other countries' public sentiment and energy conservation movement. This will lead to unnecessary hostility in the country that is under pressure. The fact that the United States, a country that has chronically posted trade deficits with Japan, even went so far as to take issue with our country's effort to diversify the sources of imports in a bid to rectify our trade imbalance with Japan is hard to understand.

We amply understand the economic difficulties facing the United States. This being the case, the United States should try to understand the difficulties suffered by Korea, which has seen its trade deficit accumuluate. If the United States, remembering its past "accomplishment" of having effectively stopped a movement against excessive spending on luxury goods in Korea, tries to drive Korea into a corner, it will make matters worse. Reports by the American Chamber of Commerce in Korea, which will be useful data for formulating U.S. trade policy, should always be written on the basis of objective data and produce constructive alternatives.

Premier Notes Precondition for DPRK Exchanges

SK2502092092 Seoul YONHAP in English 0900 GMT 25 Feb 92

[Text] Seoul, Feb. 25 (YONHAP)—Prime Minister Chong Won-sik said Tuesday that inter-Korean economic exchange and cooperation were impossible without solution of the nuclear issue and reunion of separated families.

Chong told a meeting of people born, like him, in North Korea before the Korean war that the government would do its best to resolve the two issues.

"North Korea showed several times during the sixth round of inter-Korean high-level talks in Pyongyang that it was intent on delaying solution of the nuclear issue," the prime minister said.

The government would continue to have patience and stick to the three principles of no outside interference, practicality and reconciliation in inter-Korean relations, he said.

"When I met with North Korean President Kim Il-song in the Presidential Palace, Kim said that if both the prime ministers discussed an inter-Korean summit well, there would be nothing left for the heads of South and North Korea to do except meet each other and make their signatures," Chong said.

DPRK Embassy Protests Russian Press Article

SK2202043892 Seoul KBS-1 Radio Network in Korean 0300 GMT 22 Feb 92

[Text] Employees of the North Korean Embassy in Moscow have made a stir, issuing harsh words and threats to complain about a Russian press article critical of the DPRK's political system.

(Ruletsin), deputy chief editor of NOVOYE VREMYA, a leading Russian current affairs weekly, said: On 16 February, North Korean officials, along with some suspicious fellows, rushed into the chief editor's office. They used threateningly harsh words to say they could not accept any article criticizing Kim Chong-il's political system.

Losses of Investors in DPRK No Longer Covered

SK2502055292 Seoul YONHAP in English 0249 GMT 25 Feb 92

[Text] Seoul, Feb. 25 (YONHAP)—The government has decided that South Korean companies engaging in trade or investment in North Korea will not be compensated for any losses that they suffer as a result.

As such losses are likely to swell with the surge in direct trade and joint ventures, it will be hard to compensate all of the private companies that lose money with the limited resources of the state, a government official said Tuesday.

Government policy has been to use the South-North cooperation fund to reimburse private firms for losses suffered in doing business with the North. The new policy will be reflected in government guidelines on economic deals with North Korea, the official said.

The no-indemnity policy was desirable to keep companies from rushing into deals with the north without taking due safeguards against losses, he said.

"We intend to see to it that in the future private-level exchanges with North Korea are carried out strictly on a risk-bearing basis," he said.

The South-North cooperation fund will be used chiefly to support non-economic exchanges, such as sports and culture, but it may continue to be used in compensating inter-Korean economic projects undertaken with government policy support, the official said.

The fund is expected to contain 65 billion won (85 million U.S. dollars) by the end of the year.

A 1.28 billion-won compensation was paid out of the fund for a loss suffered in shipping 5,000 tons of rice to North Korea last year. It was the first time the fund was used.

Smaller Companies Better Suited for N-S Trade

SK2402043492 Seoul YONHAP in English 0245 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—Small- and medium-sized companies would be better partners of inter-Korean economic cooperation than conglomerates, because they could concentrate on areas that would change the lives of North Koreans rather than big projects requiring heavy investment, according to a report issued Monday.

The Industrial Bank of Korea, in a report linking inter-Korean trade and small- and medium-sized businesses, said North Koreans saw Seoul-Pyongyang economic transactions as "confrontational" rather than "cooperative."

There was also the imbalance in economic conditions between South and North Korea to consider, the report said.

South Korea needed to allay North Korean concerns, and small- and medium-sized companies could more easily accost North Korea for a better balanced "horizontal" trade, it said.

Light industry and manufacturing were the areas most suitable for cooperation since they require relatively small investment and mostly standardized technology compared to infrastructure or resource development, according to the report.

But before these companies can enter inter-Korean businesses, they need a professional review of project feasibility, the report warned.

Smaller companies should be encouraged first, it suggested, and they should be advised to set up joint ventures with firms from other nations to minimize their exposure to risks.

The report gave a downbeat projection of inter-Korean trade, saying it is unlikely to exceed 1 billion U.S. dollars a year for some time because North Korea's entire annual trade is between 5 billion and 6 billion dollars.

Newly Appointed Russian Ambassador Interviewed

SK2402014092 Seoul KYONGHYANG SINMUN in Korean 20 Feb 92 p 17

[Interview with Aleksandr Panov, newly appointed Russian ambassador to the ROK, by correspondent Hong Song-pyo, in Moscow; date not given]

[Text] Alexsandr Panov, former chief of the Pacific Ocean and Southeast Asian Countries Administration of the Russian Foreign Ministry, was appointed Russian ambassador to the ROK on 31 January.

Mr. Panov, 48, graduated from Moscow International Relations University in 1968, after which he worked at the Soviet Embassy in Japan (1968-1971). He then worked as an instructor at the Moscow International Relations University teaching the history of Japanese diplomacy; as an embassy counselor at the United Nations (1977-1981); as an embassy counselor in Japan (1986-1988); and as chief of the Pacific Ocean and Southeast Asian Countries Administration (1988-1990). He is an expert on Japan.

Carefully repeating that he has not yet obtained the approval of the ROK Government, Mr. Panov held an interview:

[Hong Song-kyun] At this time, approximately ten ambassadors, including Russian ambassadors to the ROK, the United States, China, and North Korea, are being replaced. Can this be interpreted as the Russian Federation's attempt to press ahead with a new independent diplomatic policy, breaking from the foreign policy promoted by the former Soviet Union?

[Alexsandr Panov] This can be interpreted as the Russian Federation's attempt to replace the ambassadors, who were appointed thanks to the former Soviet Union's political consideration, with working-level career diplomats.

The Russian Federation will soon announce a new diplomatic policy. The new diplomatic policy's basic line is based on reality, and will regard the recovery of the Russian economy as a priority task, breaking from the past political and military trends. In particular, the Russian Federation's diplomatic policy toward Asia will be focused on improving relations with Japan, ROK, and China.

[Hong] In the shake-up of ambassadors, Russia's ambassadors to the North and the South were replaced simultaneously. Will there be a change in the Russian Federation's policy toward the Korean peninsula?

[Panov] Russia's new diplomatic policy will pay a great deal of attention to neighboring countries in particular. The Russian Federation is the most influential state in this region with which North and South Korea have economic and diplomatic relations. Utilizing the Russian Federation's role is important for the stability of the Korean peninsula, I think.

[Hong] What is the status of pending issues, including the suspension of ROK loans to the Russian Federation and of President Yeltsin's visit to the ROK?

[Panov] It has been decided that President Yeltsin should visit Japan in mid-September. Thus, I think he may well, at the same time, visit the ROK, a major country in Asia. If the ROK-Russian friendship treaty, which both countries' working-level officials are negotiating, is officially concluded when President Yeltsin visits the ROK, ROK-Russian relations will enter a new stage. As for the suspended ROK loans, when the former Soviet republics decide in detail how to use the loans and how to repay them, they will be resumed. After I was appointed ambassador to the ROK, I held contacts with officials at the Samsung and Goldstar trade offices here. The ROK can provide Russia with consumer goods. It can gain Russian raw materials and military, metal, and space technologies, which are not classified any more. Thus, there is a way for the ROK and Russia to promote mutual complementary economic cooperation.

Government To Resume Goods Exports to CIS

SK2402092692 Seoul YONHAP in English 0838 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—The government decided Monday to resume exporting consumer goods on tied loans to the former Soviet republics that comprise the Commonwealth of Independent States only after seeing a firm consensus reached among them over repayment.

The decision was made in an inter-ministerial meeting on loans to the CIS, an official said. The meeting was presided over by Kim In-ho, head of the Economic Planning Board's International Economic Policy Coordination Office.

Russia has said it will take over loans of the Soviet Union, but CIS members have yet to reach a consensus on how to share the burden, he said.

The official said the government would deal cautiously with the matter, watching closely how the industrialized countries handle the problem.

"It is true that local exporters are experiencing a financial pinch resulting from swelling stockpiles, but it is difficult for the government to resume the tied-loan exports immediately. For now, the government is not considering any special support for local exporters to ease their financial difficulties," he said.

Korea and the Soviet Union agreed in January last year on a 3 billion-U.S.-dollar economic aid package, including a 1.5 billion-dollar tied loan, over a three-year period.

Korea has given 1 billion dollars in cash loans. Of the 800 million-dollar tied loan pledged for release last year, 320 million dollars was rendered.

Hong Kong Report on PRC Ties 'Pure Fabrication'

SK2202013492 Seoul THE KOREA TIMES in English 22 Feb 92 p 2

[From "Press Pocket" column]

[Text] The Foreign Ministry denied a report by the Hong Kong-based Chinese daily, MING PAO, that South Korea and China have completed negotiations for normalizing ties and will establish ambassadorial-level relations by June this year.

A ranking Foreign Ministry official repudiated the report as "totally groundless" and based on "pure fabrication."

Quoting "reliable diplomatic sources," MING PAO said Thursday that the two countries are just delaying the announcement of normalized ties, in consideration of China-North Korea relations.

Next Round of ROK-China Economic Talks Set for Mar

SK2202025192 Seoul YONHAP in English 0232 GMT 22 Feb 92

[Text] Seoul, Feb. 22 (OANA-YONHAP)—South Korea and China failed to narrow their differences during the third economic talks on equal treatment for Korean companies in investment and business compensation, the Foreign Ministry said Saturday.

China said it had no precedent for granting national treatment to foreign countries and therefore it would be difficult to do so for South Korea, Ministry officials said.

Korea and China, yet to establish diplomatic ties, held the economic negotiations in the Chinese capital Feb. 19-21. Yun Hae-chung, deputy director-general of the Asian Affairs Bureau, headed the Seoul delegation. Xie Jianqun, vice chairman of the China Chamber of International Commerce, led the Beijing side.

The two countries signed a trade pact last December abolishing China's so-called discriminatory taxes on Korean products ranging from 5 percent to 30 percent.

They have been working on concluding agreements on avoidance of double taxation and an investment guarantee. Korea demands that China grant national treatment to Korean firms in the investment guarantee pact.

They did agree to exchange tax experts and information for early conclusion of the agreement on avoidance of double taxation since the revenue systems differ widely between the two nations, the Ministry said.

They also agreed to open the first regular trade negotiation in the near future. Regular trade talks were one of the terms included in the bilateral trade pact.

The next round of economic talks is scheduled for Seoul in late March.

Two-way trade amounted to 3.5 billion U.S. dollars in 1990 and 9.1 billion dollars last year. It is expected to grow to 10 billion dollars this year.

Li Peng Economic Adviser Interviewed After Visit

SK2402004992 Seoul HANGUK ILBO in Korean 15 Feb 92 p 4

[Interview with Dr. Luo Yuanzheng, economic adviser to PRC Premier Li Peng who recently visited the ROK, by reporter Yu Tong-hui—place and date not given]

[Text] [Yu Tong-hui] How were you able to visit the ROK and what is the purpose of your visit?

[Luo Yuanzheng] My visit is a private one. I was invited by the ROK-China Cultural Association, of which lawmaker Yi Chong-chan is chairman. This is my first visit to the ROK and was realized mostly due to personal connections.

During the period of the Chinese Nationalist Party-Communist Party collaboration, the ROK-China Cultural Association was established in 1942 between China and the ROK's provisional government. The honorary chairman of this association was my father-in-law, General Feng Yuxiang. Mr. Yi Si-yong, who is lawmaker Yi Chong-chan's great-uncle, was a member of the association from the provisional government side. Because of this connection, I was invited to visit the ROK with my wife, Feng Lida, by the ROK-China Cultural Association.

[Yu] Dr. Luo, you played an important role in drafting the policy on reform and openness, and currently it is known that you are exercising considerable influence in Premier Li Peng's economic policy. Do you not think that your visit is more than a private visit?

[Luo] In the past, I was not able to direct my attention to the ROK. My impression of the ROK, even though it was a short visit, is that it seems the Koreans lack understanding of us. Also, the Koreans' desire to advance into China is great, but it seems that they do not know how it should be done.

When I met a president of a pencil factory in Chonju, he said that during the 1990 Asian Games he went to China and single-handedly achieved a joint project with the officials of the (Kumsong) plant in Beijing after many difficulties. If he had known China's economic situation, it would have taken less than two years to achieve the joint project.

I hope to contribute to dissolving difficulties, such as this one, that ROK businesses are having when advancing into China.

I plan to give a report on the result of my visit to the center in the capacity of member of the National People's Congress and the Chinese People's Political Consultative Conference. Also, through a lecture tour to organizations and local areas where I am connected, I plan to inform them of the ROK's situation.

[Yu] I believe that the fundamental reason the ROK businesses are having difficulties in advancing into China is that diplomatic relations between the two countries have not been achieved. What do you think are the prospects for the ROK and China to establish diplomatic relations?

[Luo] The establishment of diplomatic relations between the two countries is an inevitable trend in the development of history. It must be achieved through mutual concessions and understanding, however. We must also consider not only relations between the two countries but also neighboring issues, such as the relations between the United States and North Korea, between the ROK and North Korea, between China and North Korea, and between China and Taiwan.

[Yu] I have the impression that the policy of reform and openness was subdued for a while due to the Tiananmen incident but is now rising again. What is the present condition of the policy on reform and openness?

[Luo] To think that China's policy of reform and openness has retreated since the Tiananmen incident is because one does not have a good understanding of China's economic situation. With economic aid, former General Secretary Zhao Ziyang tried to stimulate China's economy through the policy of deficit financing and currency inflation. With the explosive demand for air conditioners, color television sets, and automobiles, China imported these items randomly.

Because of this, we lacked financial resources, so that we could not invest enough in social indirect capital, such as railways and transportation. This aftereffect still remains. In addition, the development of each economic field has been unharmonious. Industry has been developed by 20 percent. In the meantime, because of a lack of investment, agricultural development has been far below plan.

Before the Tiananmen incident took place, there was a need to establish the so-called realignment-rearrangement period to adjust such circumstances. Therefore, it is not reasonable to view this period as stagnation or that the policy of reform and openness is in retreat.

For approximately the past two years, we have changed blindly importing. We have instead accepted a method to meet domestic demands through joint enterprise production.

To cope with the increasing demand for cars, we have established car plants jointly with the United States, Germany, Japan, and France in Beijing, Shanghai, Tianjin, and Chongqiang. This is a representative example of such a policy.

[Yu] What is your impression after seeing the ROK economy, even for a short time?

[Luo] I am impressed that the ROK has developed industries to produce its own brand of industrial products. It is difficult to see foreign cars in the ROK. This was a great shock to me. In addition, it was a great surprise to me that most of the electronic appliances in each household are domestically produced.

Of course, foreign technology has been introduced. Industry has been developed enough to meet domestic demand and sell household electronic appliances on the international market. I cannot but express respect for the ROK people.

[Yu] It has been said that Deng Xiaoping's policy on reform and openness is a capitalist policy. What do you think of this?

[Luo] China has still maintained socialism. This is clearly confirmed by the fact that the framework of the ownership system is the state ownership system. We have developed various ownership systems since the policy of reform and openness began. Their center is invariably the state ownership system, however.

Since China was communized, 1.14 billion persons have not starved. This is not a simple task. Before China was communized, the Chinese people's life expectancy was only 35 years. Now, it is 75 years. I am convinced that this could not be achieved through capitalist methods.

[Yu] The Soviet Union, which had put into practice a communist policy before China, is now clearly choosing capitalism.

[Luo] The Soviet economic system was a rigid system, nearly impossible to improve. In the Soviet Union, public and private sector workers and management have the inveterate thought that they, both, cannot get profits. This is a basic difference from China. The gang of four forces had made such a claim and misled policy during China's cultural revolution. Thus, the Chinese economy greatly retreated for approximately ten years. I would like to stress that what collapsed in the Soviet Union was revisionism, not Marxism-Leninsim.

Chinese Goods Deal 'Devastating Blow' to Market

SK2502042692 Seoul THE KOREA TIMES in English 25 Feb 92 p 8

[By deputy economic editor Pak Chang-sok]

[Excerpt] [Passage omitted] Farm and fisheries products from China are flooding Korea, dealing a devastating blow to Korean farmers. Imports of farm and fisheries products from China have exploded in the last few years and China is now becoming a powerful "new kid" in terms of exports of farm products to Korea, next only to the United States. China accounted for 15.5 percent of Korea's imports against the U.S. lion's share of 29.2 percent in the first half of 1991.

Especially shocking is a fact that more than 90 percent of the grain sold at Korean shops, except for rice and barley, is from China. Major grain imports are sesame, azuki beans, buckwheat, and mung beans.

The Chinese invasion is not confined to primary agricultural and fisheries produces. It continues to spread out to such industrial products as watches, chopsticks, umbrellas, and folding-fans.

With the flood of Chinese imports, over 100 wooden chopstick makers went bankrupt last year. The main reason for the flood of Chinese farm produce is price. For example, Chinese ginseng is merely 5 percent to 20 percent the price of Korean ginseng. It is laughable that on top of this some Chinese imports are sold, disguised as more expensive Korean products.

Belatedly, the government has taken a step to make it mandatory for country of origin to be marked on the outer wrapping of the packaging of 85 major produces from April.

As far as fishery products are concerned, North Korea is also a threat to South Korean fishermen. Imports from North Korea have been on a steady rise. South Korea imported 8,700 tons of Alaskan pollack from North Korea last year and plans to drastically expand imports to 20,000 tons this year.

The South Korean Government, ostensibly bragging about its economic mastery over North Korea, holds the rosy view that South Korea will gain an economic windfall through inter-Korean economic cooperation. Apparently stimulated by the revitalized inter-Korean talks, business combines are now excessively struggling to take the upper hand in advancing into the Northern part of the divided peninsula. But it remains to be seen whether the ongoing negotiations will bear substantial economic fruit. The inter-Korean agreement is still on a paper.

Stagnant economic and trade cooperation with the old socialist countries in East Europe may be a good lesson for South Korea.

While boasting of the achievements of its "northern policy" aimed at ameliorating relations with the socialist countries including the former Soviet Union, government officials said that the country would be able to achieve a new economic takeoff through the expansion of trade and investment cooperation with them. But, the result has been going just in the opposite direction. Trade deficits with the former Soviet Union, China, and other erstwhile East European countries jumped fourfold to top 2 billion dollars last year.

Since the birth of the No Tae-u administration, both the government and the people have enjoyed much an ostentatious show of wealth on the outside, beset by shopping binges that drive up inflation and sink the trade balance in the red. Five years are enough for merry-making.

Now is the time for Koreans to discard an arrogant and rude attitude and revive their traits of diligence and unyielding can-do spirit. What has to be kept in mind this time is the fact that foreign "new kids" are rallying forces to become new economic powerhouses, challenging Korea.

Defense Ministry Signs Contract With French Firm

SK2502082092 Seoul YONHAP in English 0807 GMT 25 Feb 92

[Text] Seoul, Feb. 25 (YONHAP)—South Korea has signed a contract with France's Matra D.A to buy 984 mistral short-range surface-to-air missiles (SR-Sam) for

180.5 million U.S. dollars within the next two years, Defense Ministry sources said Tuesday.

This is the first phase of a project to upgrade Korea's SR-Sam system. Competition for the remaining two phases of the project, earmarked at 550 million dollars, is expected to be heated, with bidders from the United States, Britain and France, the sources said.

The Mistral can carry six warheads and is effective against fighter planes or missiles flying at low altitude within a radius of six kilometers. The missile, man-portable or turret-mounted, is 1.8 meters in length, 90 mm in diameter, 19.5 kilograms in weight with a 3-kg warhead and has a maximum speed of mach 2.5.

Losing bidder General Dynamics [GD] of the United States actively sought the contract, but Matra won because GD refused to transfer its stinger missile technology, a ministry source said.

Defense analysts say Korea, which is heavily dependent on U.S. weapons systems, may further diversify its arms imports in the future.

Officials, Businessmen Meet on European Strategy

SK2402062392 Seoul YONHAP in English 0433 GMT 24 Feb 92

[Text] Brussels, Feb. 24 (YONHAP)—South Korean Government Officials stationed in Europe and business representatives, meeting in the Belgian capital over the weekend, have decided to urge their country to take more interest in the European Community (EC), which is about to become the single largest economic bloc.

Declaring that Korea was interested only in Japan and the United States, participants of the meeting proposed more active investment in the EC, the establishment of more branch offices of Korean banks and stepped up efforts for the improvement of Korea's image through cultural exchanges with European countries.

They also proposed sharing industrial information on the EC between governmental agencies and private industries and exerting more advertising efforts in the area.

The meeting Feb. 21-22 was between economic officials assigned to 12 embassies in Europe and representatives of the business community.

A counselor at the embassy in Paris, Cho Hwan-pok, said Korean businessmen were not reacting to the possibility of forming joint ventures and investment in France, despite the fact that there is a powerful organization called "The Korea Club" consisting of 20 leading French companies.

Speaking at the meeting, Cho expressed regret that the Korean industry was paying scant attention to France at a time when the European nation is working to establish a beachhead in Korea for its trade with Asian and Pacific countries.

Chong Sun-chong, chief of Samsung Electronics Co.'s Portugese branch, briefed the participants on the advantages of doing business with the EC. His report was based on his experience as head of one of the highly successful European ventures by Korean companies.

Kim Tae-won, head of Daewoo Corp.'s Brussels branch, urged the government to work for further extension of the EC's Generalized System of Preference (GSP) for Korea and inclusion of more Korean products in that category. Some Korean companies ignore the recent revival of the system because benefits arising from it amount only to about 200 million to 300 million U.S. dollars, but the survival of at least 40 to 50 small- and medium-sized companies depends on them, he said.

Officials representing Korean businesses in Milan, Italy, and Dusseldorf, Germany, both urged Korean banks and other financial institutions to move to the cities as the local banks are not effective.

"We should take advantage of their backwardness," one said.

Counselor Chu Yun-kon at the embassy in Copenhagen pointed out that there was not a single branch office of any Korean company in any of the Scandinavian countries and asked Korean business leaders to pay closer attention to them, especially to Denmark, which he said was emerging as the economic center of Scandinavia.

Immigration Denies Entry to 'Illegal' Foreigners

SK2402115692 Seoul YONHAP in English 1123 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—A total of 583 foreigners were denied entry at Seoul's Kimpo International Airport in January alone after their bids to seek illegal stays were uncovered, the Kimpo Immigration Office said Monday.

Of the total, 354 were from the Philippines, 86 from the United States, 18 each from Japan and Nepal, 14 from Taiwan, and 13 from Canada. Many of the deportees were found to have come to Seoul to seek jobs without working visas, the office said.

The office said it would open a 20-pyong (66-square-meter) detention center to accomodate illegal foreigners each at the airport's two buildings for international flights by the end of April at the latest, because such illegal entrances were expected to increase in the days ahead.

Chile Issues Temporary Stay Permits for Koreans

SK2402062192 Seoul YONHAP in English 0459 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—Chile has issued permits of temporary stay for 141 Koreans who were facing deportation, the Foreign Ministry said Monday.

Another 19 Koreans left the country voluntarily, a Ministry spokesman said.

The Chilean Government gave the Koreans four months to leave after their visas expired late last year.

There is no system of residency permits in Chile, instead an alien is issued a visa for one to five years.

'Trotskyites' Arrested on Coup-Plotting Charges

SK2502051292 Seoul YONHAP in English 0400 GMT 25 Feb 92

[Text] Seoul, Feb. 25 (YONHAP)—Police have arrested 10 Trotskyites under the National Security Law on charges of plotting to overthrow the government through a communist revolution, a police spokesman said Tuesday.

They were among the 22 radicals, most of them students suspected of organizing a seditious group in October 1990 and conducting anti-government activities on numerous occasions, the spokesman said. Of the ring members, nine were booked without physical detention and the rest was freed.

The group, billing themselves as the International Socialists, was dedicated to setting up a government of laborers and peasants using the "eternal revolution" theory of the late Russian revolutionary Leon Trotsky, he said.

They confessed they adopted Trotsky's theory as an alternative to Korean society after the collapse of communism in Europe, he said.

They produced a seditious newsletter, titled THE ROAD TO OCTOBER (SYMBOLIZING THE RUSSIAN REVOLUTION), and a variety of pamphelets and printed materials, he said.

Police seized 1,287 items as evidence.

Poll Urges No Tae-u To Focus on Reviving Economy

SK2402030492 Seoul YONHAP in English 0220 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—A majority of South Koreans believe President No Tae-u should concentrate on reviving the economy during his final year in office, according to an opinion poll taken on the fourth anniversary of his government.

Of the people questioned, 56.5 percent (452 people) said No should concentrate on economic recovery during his remaining 12 months in office.

Eighteen point nine percent (151) said strengthening social discipline was his most important task, 12.8 percent (102) said it was restoring morality, 7 percent (56) said increasing democratization, and 4 percent (32) said improving inter-Korean relations.

The survey, whose results were released Monday, was conducted Feb. 19-20 by the Institute of Asian Studies for the Ministry of Information. Eight hundred people aged 20 to 65 across the country were surveyed. The institute, a private organization, gave a margin of error of plus or minus 3.46 percent.

Asked if their living conditions had improved since No came to office, 58.4 percent (467 people) said "somewhat better," 29.9 percent (239) said "worse" and 11.8 percent (94) replied "the same" or "don't know."

On democratization, 58.6 percent said there was more democracy than five years ago and 22.5 percent said there was less. Another 18.9 percent said it was about the same or they did not know.

Those who said freedom of the press had improved under No accounted for 71.3 percent, and 71.4 percent said freedom of the sciences, arts and religion had improved.

In contrast, 13.5 percent said press freedom had decreased and 7 percent said the other freedoms had declined. Asked about freedom of union activities, 58.1 percent said "better" and 17.3 percent replied "worse."

Regarding northern policy, 66 percent recognized its success. Of the total, 14.6 percent rated it as highly successful, and 51.4 percent said it was somewhat successful. On effectuation of the basic inter-Korean accord, 82.1 percent said it was "a feat."

A majority foresaw change in the tightly controlled society of North Korea, with 52.3 percent saying it would change in time. But 23.1 percent said it was unpredictable and 20.5 percent said it was premature to make a forecast.

In addition, 66.1 percent of the respondents knew Korea's trade deficit was 9.6 billion U.S. dollars last year and 52.3 percent realized per-capita GNP soared from the 3,000-dollar level in 1987 to about 6,000 dollars last year.

Current Account Deficit 'Ballooned' in 1991

SK2402091292 Seoul YONHAP in English 0228 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—South Korea's current account deficit ballooned to 8.83 billion U.S. dollars last year, a fourfold jump from 2.18 billion dollars in 1990, according to a tentative tally by the central bank.

In December, the nation had a current account surplus of 730 million dollars, the Bank of Korea said.

The shortfall was led by rises in merchandise imports and overseas travel, and by Gulf war contributions.

The bank said exports rose 10.5 percent and imports grew 16.7 percent for a trade deficit of 7.07 billion dollars, up from 2 billion dollars in 1990.

In invisible trade, rises in foreign travel and transportation spendings widened the red ink from 450 million dollars to 1.62 billion dollars.

The United States reaped its first trade surplus with Korea since 1982 (335 million dollars) and the European Community attained its first since the early 1970s (150 million dollars). Japan had a surplus of 8.76 billion dollars.

CEMC Urges Government Neutrality in Elections

SK2202015492 Seoul THE KOREA TIMES in English 22 Feb 92 p 2

[Text] The Central Election Management Committee [CEMC] yesterday asked Prime Minister Chong Won-sik to keep government agencies and public officials from involving themselves in campaigns.

In a rare letter to Chong, CEMC director, Justice Yun Kwan said, "All government agencies and officials should adopt a neutral stance during the elections."

The request by the independent election watchdog came amid opposition charges that government officials are campaigning for ruling party nominees by direct and indirect means for the March parliamentary polls.

Opposition leaders have accused President No Tae-u of supporting Democratic Liberal Party [DLP] nominees, by taking advantage of the ongoing inspection of provincial capitals for administrative purposes, while their candidates complained about the law enforcement authorities' alleged discrimination in handling illegal campaigners.

CEMC chief Yun called on the prime minister

—To keep public officials neutral during the election period,
—To restrain from conducting any deeds which oppositionists may misunderstand as pork-barrelling or government intervention,
—To have central and local administrations consult with the CEMC if they conduct surveillance of unlawful campaigners, an action which oppositionists claim to be unfair,
—To bar employees at state-run corporations from being involved in campaigning,
—To make police take same stern steps against lawbreakers irrespective of their party affiliation, and
—To order government offices to cooperate with the CEMC and its local networks.

In particular, the letter noted the need to prevent officials at the smallest administration units—up, myon and dong—from serving DLP nominees.

Legislator Attacked, Receives Threatening Letter

SK2302021292 Seoul THE KOREA HERALD in English 23 Feb 92 p 3

[Text] A threatening letter was delivered to Rep. Yi Chol-yong, demanding that the independent legislator not run in the upcoming general election, police said yesterday.

Police said the letter arrived at Yi's house in Mia-tong, northern Seoul, Friday, three days after Yi was attacked by a man in his 30's on a Seoul street.

Yi, 44, was released from a hospital yesterday after receiving medical care for injuries he suffered during the incident.

Police said the letter, written on a word processor under the name of a youth organization, warned Yi and his family members that they would be under terrorist attack unless he dropped his plan to run in the parliamentary elections.

Police said similar threatening letters had already been delivered to Yi's house and his National Assembly office before the attack Tuesday.

Candidates for National Representation Selected

SK2402090792 Seoul YONHAP in English 0722 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—With the general elections just a month away, the task of selecting national constituency candidates is almost completed.

The governing Democratic Liberal Party [DLP] has chosen around 50 candidates for national representation and is expected to make the names public next week, after getting the green light from President No Tae-u.

Heading the list will be DLP Executive Chairman Kim Yong-sam, Co-chairman Pak Tae-chun and Kwon Ik-hyon, one-time chairman of the now-defunct Democratic Justice Party, according to party sources.

Discussion is still going on over whether to add former Prime Minister No Chae-pong, presidential assistant Choe Yong-chol and Deputy Prime Minister Choe Kak-kyu to the list.

Chongwadae officials almost certain to be picked are Senior Economy Secretary Kim Chong-in and Senior Protocol Secretary Yi Pyong-ki.

Likely administration candidates are Labor Minister Choe Pyong-yol, Information Minister Choe Chang-yun, and chief secretary to the prime minister Kang Yong-sik.

Others are An Mu-hyok, director of the Agency for National Security Planning [ANSP] under President Chon Tu-hwan, former ANSP First Deputy Director Kim Yong-su, and former Vice Home Minister Kim Yong-chin, according the sources.

Executive Chairman Kim has recommended five of his followers.

Party adviser Kim Myong-yun, Vice Speaker Kim Chae-kwang, DLP Executive Kang In-sop, Rep. Kang Sin-ok and former Rep. Yu Song-hwan are the five.

Kim Chong-pil is pushing the names of former Energy and Resources Minister Yi Hui-il and his chief secretary, Kim Tong-kun.

Those being tapped for functional representation include Medical Insurance Corp. head Chu Yang-cha, former Rep. Kim Yon-tok, Federation of Artistic and Cultural Organizations Chairman Kang Sun-yong, and ex-Korea Highways Corp. President Yun Tae-kyun.

Others in this category are DLP Youth Committee Chairman Ku Chon-so, former Korean Jaycee President Cho Chung-hun, Seoul National University Professor Han Wan-sang and Kukmin University professor Hyon Sung-il.

The opposition Democratic Party, confident of enough votes for only 21 to 25 seats by the national representation system, plans to equally divide the number among three groups—new recruits, senior party secretariat officials and financial backers.

The likeliest candidates aside from Co-Presidents Kim Tae-chung and Yi Ki-taek are party convention Chairman Pak Il, senior Supreme Committee Member Yi U-chong, Kim Yun-ho, a former chairman of the joint chiefs of staff, former defense security Commander Kang Chang-song, former Army 6th Corps Commander Na Pyong-son, and U.S.-based lawyer Yim Pyong-kyu.

The Unification National Party reportedly plans to name upwards of 10 candidates, including party head Chong Chu-yong and Supreme Council members Kim Tong-kil and Cho Yun-hyong.

* Kim Yong-sam's Special Assistants Identified

922C0039 Seoul SISA JOURNAL in Korean No 103 17 Oct 91 pp 22-23

[Article by reporter Cho Yong-chun: "Three Special Assistants for Kim Yong-sam"]

[Text] The political staff live in the shadows, which they think is the number one code of conduct. It is because their job is not to work in the foreground but to concentrate their efforts on serving their "master." Particularly, as the fast approaching presidential election turns the political situation into a complex and subtle state, they shun the press.

Since the days of his leadership in the opposition parties, Democratic Liberal Party [DLP] Representative Kim Yong-sam has been known as a typical politician who employs secretarial politics and staff politics. His office of the secretary, which is located on the eighth floor of DLP headquarters building in Yoido, is completely crowded with his secretaries and staff. The telephone bells ring continuously, and in a way, the office appears to be in a state of chaos. About 15 of the people here work solely for representative Kim, and do so without drawing attention to themselves. The key members of the office of the secretary are Director Pak Chong-ung, Department Chief Yi Song-hon, Department Chief Pyo Yang-ho, Deputy Chief Hong In-kil, and Aide Kim Ki-su. Working under them are seven to eight secretaries. Also included are Deputy Spokesman Yi Won-chong and Pak Yong-hwan, deputy director of the spokesman's office. They control all kinds of tasks ranging from [Kim's] attendance at various events and interviews with important figures to analysis of public opinion and development of strategies for the supreme power.

Two Hours of "Extracurricular Studies" Every Thursday

In the middle of September, Representative Kim added one more member to his family, namely, a special assistant for economic affairs. Representative Kim hired him as a "tutor" for "extracurricular studies" in economics. Thus, representative Kim has three special assistants now. Joining the two existing special assistants—Kim Ki-sop, special assistant for protocol and civil administration, and Kim Chong-won, special assistant for international affairs, the press and politics—is Special Assistant Han Yi-hon.

The two Special Assistant Kim's do not have private offices in the DLP building; but Special Assistant Han was given his own office. This was intended to "treat him with respect"—an indication that representative Kim's camp is paying a great deal of attention to special assistant Han.

A key staff member in the office of the secretary hints that "special Assistant Han is doing very important work." He said, "According to businessmen and government figures, Representative Kim is well-versed in politics and diplomacy, but not in economics. Many times, I heard people say a person aspiring to the supreme power ought to know economics." He added, "Representative Kim heard that, too, and he became determined to study economics."

It was March last year when Representative Kim's office of the secretary began searching for a tutor in economics. For several months, it checked all former bureaucrats versed in economics. At last, three people who were well-qualified were found. Of those, Special Assistant Han was selected. Special Assistant Han was then a member of DLP's Economic Committee.

Mr. Han was appointed as a special assistant in September, but Representative Kim actually began receiving economic lessons in May last year. Representative Kim secretly received private lessons for two hours every Thursday for 10 months. While taking lessons from Special Assistant Han, Representative Kim attended lectures by economics professors two or three times a month. A close associate of Representative Kim said, "Lessons from Special Assistant Han focused on the economic logic from administrative viewpoints. So, in order to balance the study, we formed a special team composed of five college professors."

Special Assistant Han had been working at the Economic Planning Board as director of the Economic Planning Department until April 1990 when he was chosen to become a member of the DLP Economic Committee. That was when he made his first connection with politics. He is Representative Kim's junior in Kyongnam High School and graduated from the School of Commerce, Seoul National University, with a major in economics. Special Assistant Han says, "I have worked nearly five years in reporting on economic trends—including one and a half years as an administrative officer, three years as a section chief, and 10 months as a Chongwadae secretary (six months for former President Chon Tu-hwan and four months for President No Tae-u). This helped me learn how to explain mundane economics in easy-to-understand terms." He said, "As a former bureaucrat, it is burdensome for me to assume the responsibility of a special assistant at such a politically delicate time. But I feel proud of being able to be of assistance to the representative of the party to which I belong." He added, "I hope to return to the position of an economic officer." Regarding representative Kim's accomplishment in economic studies, he said, "I can actually feel that representative Kim's interest and understanding in economic matters are getting deeper."

Efforts to Establish an Image in Political Circles of the United States

Special assistant Kim Chong-won, whose educational background shines with a doctorate in law from Harvard University and a doctorate in political science from Johns Hopkins University, was specially recruited prior to the 1987 presidential election by then-candidate Kim Yong-sam. Thus, he is a close associate of representative Kim. Because of his experience as a professor in political science and as a special attorney in international trade, he is in charge of international diplomacy, the press and external policies. He sometimes works as representative Kim's interpreter. He is a longtime resident of the United States, and in view of the relationship between Korean politics and the United States, he occupies a very important position. He is the person who theorized, for the first time, the "Guarantee of Security in the Korean peninsula by the Four Strong Nations," which was pledged publicly in 1971 by then-candidate Kim Tae-chung during the presidential election campaign. The theory was published in PACIFIC COMMUNITY, a Japanese quarterly. When representative Kim recently visited the United States, Special Assistant Kim put a lot of effort into establishing representative Kim's image in the political circles of the United States.

The Office of the Secretary for the Second Man of the Government Party Resembles a Shadow Cabinet

In charge of the protocol office is Special Assistant Kim Ki-sop, who had previously worked as managing director for Silla Hotel, a subsidiary of Samsung Group. His background is rather unique. A graduate of Yongnam High School in Taegu City, he was admitted to the Political Science Department of Seoul National University at the age of 30. He joined Anam Industries in 1973 and became a plant superintendent in three years. He moved to Samsung Electronics in 1978 to become a principal administrative officer, and since 1979 he worked at Silla Hotel. He was promoted to the position of director in 1983. Although he was admitted to the college at an old age, his career has been on the fast track. His job at Silla Hotel brought him opportunities to meet frequently with representative Kim. In March 1990, he actually moved to the Sangdo-dong camp.

He thoroughly schedules all the details of representative Kim's appearance in more than 40 formal events per month on the average. He says, "Because the representative of the ruling party traveled only with an accompanying secretary, the itineraries had to change frequently and the representative did not look good." He stresses, "A special assistant for protocol is a necessity." He has a free and easy personality and is a very likable person. Wherever representative Kim goes, he is always with him. Because of the nature of his job, however, he shuns reporters.

In a way, representative Kim's office of the secretary resembles a shadow cabinet. Although it is a by-product of the consolidation of three parties, it is quite unusual for a second man of the party to have three special assistants and an extensive office of the secretary—something that can be hardly found in the past politics. It is interesting to see whether these secretaries will actually succeed in "making the president."

* Minister Choe Hyong-u as Kim Yong-sam's Emissary

922C0048A Seoul CHUGAN CHOSON in Korean 17 Nov 91 pp 16-19

[Article by political reporter Kim Kyo-chun: "Choe Hyong-u, the Emissary for Kim Yong-sam, Is on the Move—Keeps in Contact with Chongwadae Staff and Political Leaders All Round, Campaigning for DLP Decision To Pick Presidential Candidate Prior to the General Election"]

[Text] If one is asked who has been the busiest politician lately, the answer, no doubt, would be "Choe Hyong-u, the first minister of state."

It is slightly over 100 days since Choe left the chairmanship of the National Assembly Energy and Resources

Committee to be minister of state on 18 July. He had quit smoking three years ago but recently picked up the habit again. "It is the story of a man anxious to speak his mind but unable to do so," he quipped.

Minister Choe has been constantly on the move, struggling to accomplish the make-or-break task he was assigned to: get the Democratic Liberal Party [DLP] to decide to pick its candidate for next president before the 14th general election. In the process he would now and then find himself distressed and irritated—and often have difficulty controlling his temper. Yet he would have to swallow it all and say nothing of it. It was not an easy thing for him to do, a straightforward person by nature. Thus, he began smoking again in search of relief from stress. That is what he meant to say.

For the DLP to designate its presidential candidate prior to the 14th general election is the ruling camp's biggest pending issue with a direct bearing on whether or not DLP Chairman Kim Yong-sam [KYS]—with whom Choe Hyong-u is inseparably connected—will indeed take power. If the DLP should decide to choose its presidential candidate before the general election, KYS would be the logical choice; then, once the general election is over, Kim will be in the driver seat to lead political developments in the country, face Kim Tae-chung, co-chairman of the opposition Democratic Party [DP] in the presidential election and finally attain his ambition. That is the reading of the situation by the RDP [former Reunification Democratic Party] faction. On the other hand, they fear that in case such a decision on candidates should fail to materialize, the DLP will be in troubles from within and without—among them, a power struggle between factions in the party, the opposition's offensive, and an attempt by Fifth Republic forces at a political comeback—and, as a result, KYS will very likely be confronted with great difficulties.

It is also a fact that some members of the DJP and NDRP [former Democratic Justice Party and New Democratic Republican Party, respectively] factions feel that a DLP decision to pick its presidential candidate prior to the general election, if made, would leave them with no alternative but to support KYS if they are to avert a party split, however, and ensure the DLP victory in the presidential election, and that if things go that way, there will be no political future for them. Also, Chongwadae officials, worried about the prospects of President No Tae-u becoming a lame duck, could find it difficult to support a move for such a decision.

Such being the situation surrounding him, the responsibility of Minister Choe whose mission is to help KYS find his way through all these obstacles is heavy indeed.

Those he is in touch with to broaden the understanding and sympathy for a prior-to-the-general-election party decision on a presidential candidate are invariably people close to President No Tae-u and in a position to influence the president's decision. They can be divided into groups including key figures among members of the Cabinet and Chongwadae staff, DJP-faction leaders in the DLP, and President No's relatives.

Those He Met

Among Cabinet officials and Chongwadae staff members he met are: So Tong-kwon, director of the Agency for National Security Planning; Chong Hae-chang, Chongwadae Staff secretary general; Son Chu-hwan, senior presidential secretary for political affairs; Kim Yong-il, senior presidential secretary for judicial affairs; Yi Pyong-ki, senior presidential secretary for protocol affairs. Party leaders he came in contact with include Secretary General Kim Yun-hwan and Rep. Yi Chun-ku.

Choe also met with the president's relatives including Kim Pok-tong; Kum Chin-ho, adviser to the Korea Traders Association; and Pak Chol-on, minister of juvenile sports. Other figures he got in touch with include Sin Hyon-hwak, Samsung Group adviser; Rep. Yi Won-cho; representatives of the TK [Taegu-North Kyongsang Province] Group; and President No's acquaintances offering him their advice and suggestions as requested.

Choe met them on behalf of KYS, often taking turns with KYS on many of them. It is known that at these meetings he has been emphasizing that KYS should be designated as No Tae-u's successor to the presidency if the DLP is to remain undivided and to retain power, and that, for that, a determination on a presidential candidate prior to the general election is an essential requirement. At the same time, he reportedly has been serving a strong warning that if the message is not heeded, the DLP will be doomed to split even before the general election, leaving both factions to bite the dust.

Minister Choe's efforts are going on amid, and inspired by, marked improvements in the situations surrounding KYS—e.g., President No introduced KYS to President Bush and, on several occasions recently, made remarks backing him up. Apparently, however, they have not gone far enough to convince Chongwadae or the DJP faction of the need for a party decision to pick a party presidential candidate prior to the general election.

Rumors recently circulating in political quarters had it that Choe and a key member of President No's staff had an argument on this subject. While spreading out from mouth to mouth, the rumors escalated to involve allegations about an "ultimatum" or "readiness to risk splitting the party."

Besides, Minister Choe's role seems to include reporting to the president—through his day-to-day briefing—on political situations as he comes to know about, and speaking for KYS on matters which KYS would find difficult to discuss directly with the president.

In this connection, a comparison of style between Choe and the late Minister Kim Tong-yong, who had acted as intermediary between President No and KYS before Choe came in, would often become a topic among those close to the KYS camp in Sangdodong. It was known that

Kim Tong-yong's approach was to plead with the president, saying "If you are not going to transfer power to Chairman Kim Yong-sam, why did you do the three-party merger in the first place? And what about the DLP's moral injury from it?" On the other hand, Choe is said to be more straightforward in explaining the situation. He would say that "judging from the way Chairman Kim is, if the power succession to him falls through, the party is bound to split. In that case, Chairman Kim's supporters would be greatly agitated and stir up an uncontrollable political situation."

RDP Faction's No. 2 Man

Minister Choe's straightforwardness like this is something unprecedented in the ruling party's climate to date. This led to a measure of rejection against him among those who happened to be in touch with him in the early days of his office. Lately, however, views favorable for his candidness have been gaining grounds to remarkable degrees, according to observers.

Choe seems also to perform the role of transmitting requests of President No and key staff members of the ruling camp to KYS. He even advised KYS that if he is to strengthen his position within the ruling camp, he will be better off if he sees more actively even those who are not friendly to him.

"That I speak my mind straight to Chairman Kim on everything, whatever it may be, is something that no one but I can do," he once said of himself. Indeed, his speech, although awkward, has a unique appeal and it is known that KYS listens to him.

Needless to say, Choe's job also includes closely following up recent moves by the DJP faction for unity and those by anti-KYS forces toward an alliance and planning appropriate responses. He is known, however, to view those moves as not having reached serious stages yet.

Minister Choe's another important mission is to effectively control factional affairs as No. 2 man of the RDP faction, on behalf of KYS. As they used to say "Left Tong-yong, Right Hyong-u," Choe Hyong-u and the late Minister Kim Tong-yong had been equally close aides to KYS; nevertheless, it was also a fact that for the reasons that he advocated a merger between the then Party for Peace and Democracy and the RDP and was negative to the three-party [DJP-RDP-NDRP] merger, he was compelled to distance himself from KYS, in effect leaving the late Kim Tong-yong in the position of No. 2 man.

Kim Tong-yong's death, however, left a big gap in the RDP faction's organizational link. Thus, KYS came to need Choe's assistance and began taking him into confidence again. Once it was rumored that Rep. Kim Tok-yong, another close aide to KYS, had been tentatively named to be minister of state. And leading National Assembly members of the RDP faction reacted strongly against it. Finally, the president picked Choe Hyong-u for the post. After installed as minister of state, Choe saw Rep. Kim Tok-yong, consoling by saying "You are still young and will have many more opportunities in the future." Choe and Rep. Kim Tok-yong have lately been cooperating well in the work of assisting KYS, according to reports.

KYS, as party chairman, exercises overall control of the party and deals with the entire ruling camp and is required transcend factional affairs. As for the management of the RDP faction, therefore, he is known to fully entrust it to Choe.

Choe has lately been holding meetings of senior and younger assemblymen of the RDP faction by groups, although intermittently. At these meetings, some attendants say, he usually briefs them on the latest developments in the political situation and asks them not to be restlessn but wait for the time.

"Once Chairman Kim Yong-sam Wins Presidency..."

Choe Hyong-u entered the political world through organizations involved in the 19 April [1960] and the 3 June [1964] student uprisings, beginning his career as assemblyman in the 8th National Assembly. For his experience in politics and his history as KYS' brain trust on organizational matters, his word is said to have persuasive power on assemblymen of the RDP faction. This does not necessarily mean that there is no criticism about him, however, particularly about his being too single-minded by nature to effectively control the ruling camp dynamics that require complex readings of numbers.

In addition, there is the inescapable task of keeping in contact with the opposition camp, which is Choe's fundamental duty as minister of state. He has lately been somewhat less attentive to it as he spent more time trying to persuade people within the ruling camp; nevertheless, he recently predicted accurately the opposition camp merger between the New Democratic Party [NDP] and the DP to surprise people around him. At a time when intelligence agencies and every one in the DLP figured that the then reported opposition merger move would end up in a "ballyhoo," Minister Choe—when questioned by President No at a Chongwadae luncheon—said: "The possibility of the opposition camp's merger is more than 85 percent. Leading DP assemblymen and executives have received an NDP memorandum promising them to move their constituencies to where they have greater chances of being elected." At the time, those present including President No did not quite believe his assessment. But Choe's prediction came true, giving rise to praises that his intelligence gathering capability, based on a prolonged previous career in the opposition camp, is outstanding.

On 1 November, Minister Choe invited elders of the old opposition camp including Yi Min-u, Ko Hung-mun and Yi Man-sop to a luncheon, asking them how they were getting along these days. Availing himself of such opportunities, he seems to be measuring prospects of a DP move for a pan-opposition merger and signs of emergence of a non-Honam new opposition party.

Despite his busy schedule, Choe visits his constituency on every weekend without exception. In the past, he suffered a defeat in the 12th general election held right after the 1980 ban on political activity was lifted. The bitter experience reminds him to keep his eyes on his constituency.

People still remember the story about Choe that when he was still barred from political activity. He and his wife, Mrs Won Yong-il, took to peddling bedding and accessaries for living.

Speaking up his mind, Minister Choe Hyong-u says "Once Chairman Kim Yong-sam wins presidency, all I want will be to cry out aloud once and then take rest." At any rate, whether his wish will come true or not cannot but be a matter of concern.

* Presidential Aspirants' Strategy Analyzed

* Possible YS-JP Union

922C0058A Seoul CHUGAN CHOSON in Korean 17 Nov 91 pp 20-23

[Article by Yang Sang-hun: "Will There Be a YS-JP Alliance While Both Kim Yong-sam and Kim Chong-pil Grope in the Dark?—An Examination of Their Covert Move as Seen From Their Secret Meetings"]

[Text] DLP [Democratic Liberal Party] Chairman Kim Yong-sam and DLP Supreme Council Member Kim Chong-pil met secretly on 28 September. At this meeting Chairman Kim (YS) "earnestly" asked Supreme Council Member Kim (JP) for "help."

What he meant to say when he asked for "help" was that "I need your cooperation to become a president." In other words, he was probing the possible "coexistence between YS and JP."

Since the three-party merger, YS asked JP for cooperation on a number of occasions, and the "28 September meeting" was the latest one.

On no occasion were their exclusive meetings made public, the only exception being their July meeting in Cheju, the schedule of which was made public in advance.

Viewed from the standpoint of the common knowledge in political circles, exclusive meetings between YS and JP are out of the ordinary. It is certainly out of the ordinary for these two politicians to meet secretly to discuss major political issues under the circumstances when JP is known as the pillar of the "anti-YS" elements.

Well, is JP really the iron wall of the anti-YS drive? This is certainly problematic.

Except when these two were extremely antagonistic to each other, emotionally agitated over the controversial memorandum on the issue of the cabinet form of government, JP has never openly and expressly stated that "Kim Yong-sam is not the right man." Occasionally JP expressed his unpleasant feelings toward YS by roundabout metaphor or very indirect language. But, even in these cases, JP always left "enough room for compromise."

This is a clear contrast to the attitude of the DLP assemblymen opposed to YS.

One of the assemblyman close to JP said the following:

"JP has never rejected any particular person, be it Chairman Kim or anyone else for that matter. JP only criticizes the anachronistic way of playing politics. At a time when our country is struggling at the threshold of the community of advanced nations, politicians should seek to promote the public welfare through dialogue and compromise. JP rejects the behavior of those who, forgetful of this stark reality, are only absorbed in rushing headlong toward the goal of presidential power. If YS tries to learn and develop a new political culture in response to the call of the new age and in this process transforms himself, then why should JP reject him?"

The same assemblyman also said that "for this reason, it is wrong to characterize JP as an anti-YS element," adding that "it is a poor prognosis that if YS comes into power, the NDRP [New Democratic Republican Party] faction will go to ruin."

It has been confirmed that when YS asked JP for help during their 28 September meeting, JP replied that "if you walk the right path, I have no reason not to cooperate." This is indicative of the stand JP has of late consistently maintained toward YS .

JP recently used to say on public and private occasions: "I criticized him (YS) when he was not walking the right path. But when he walked the right path, I cooperated with him. This will be so in the future also."

"The substance of the right path which JP demands of YS is, to all intents and purposes, the decisive factor in defining the relationship between the two. JP has never elaborated on what he means by "the right path." However, the substance of what JP means by "the right path" may be gleaned from the discussion between YS and JP during their meeting in Cheju.

JP is said to have told YS on Cheju: first, that all matters should be left to the discretion of President No Tae-u; second, that the two should behave as partners; third, that priority should be given to public rather than private interests. JP said to YS in effect, "you should keep in mind that you are the representative of the government party and should cultivate in you the temperament of the government party."

Probably because of the JP's demand, or maybe for some other reason, YS has been vary cautious in his behavior since then. He asked the "hot-blooded assemblymen" of the RDP [Reunification Democratic Party] faction to behave cautiously, and he himself has talked much less.

During the UN General Assembly session, YS rather took pains to highlight his role as a member of the presidential retinue. He reported to the president that he will see to it that the government-initiated grain purchase bill is passed in its original form. It is not easy for YS, who used to be a mass-oriented politician, to make up his mind to lead the fight to ram the grain purchase bill through the National Assembly. In this way YS is trying to show his cultivation in the government-party temperament.

Needless to say, it is correct to note that YS' behavior stems from his observation of the atmosphere in Chongwade and in other quarters.

But, whatever his calculation may be, it is a fact that YS is somewhat getting close to "the right path" as demanded by JP. JP himself is appreciative of YS' recent behavior.

This appreciation is illustrated in the reaction shown by JP when rumors about what is know as the "YS ultimatum to Chongwadae" were circulating in late October. JP brushed aside such rumors when he said, "Chairman Kim is doing well, but why are they annoying him?"

Judging from these developments, it seems to be too simplistic a syllogism to reason this way: "JP will perish without the cabinet form of government. YS broke the agreement on the cabinet form of government. Therefore, JP is an anti-YS element." Politics means recognizing reality and making pertinent changes, and YS and JP are politicians who are aware of reality and know how to recognize it.

In view of this, the "possibility of coexistence with JP" which YS probed in his 28 September meeting with JP could be anything but a barren political proposition.

If a common ground can be found between YS and JP, this will mark significant political progress for YS.

The outcome of the political struggle over the selection of the ruling party's presidential candidate will depend on the relationship between President No and YS. This relationship is of primary importance and all the rest is secondary.

The question of "is it YS, or is it an open competition with preference to no one?" needs to be settled in a bargain between President No and YS. Only then can nest moves be made.

The North-South relations and the attitude of the assemblymen from the DJP [Democratic Justice Party] faction may affect the process of this bargaining but cannot be decisive. The DJP faction is a group of people with so many different ideas from each other.

The DJP faction is often described as a "union of pedigrees." But, it is questionable whether or not the Pak Chol-on, Yi Chong-chan, Kim Yun-hwan, and Yi Chun-ku groups can be called tightly-knit sub-factions with distinctive "pedigrees." Various other sub-factions are mentioned, but they are nonexistent.

No matter how you liberally estimate the number of assemblymen belonging to each group in the DJP faction, they comprise less than half of the total number of the DJP-affiliated assemblymen; and, if you estimate conservatively, the number of assemblymen belong to each group, it will range from 20 to 30. To put it bluntly, in the DJP faction you only hear the voices of a few mid-level bosses. This stems in part from the fact that the president himself is the boss of a faction in the DLP. But, it indicates that it is difficult for any of the groups in the DJP faction to act differently from what is decided in a bargaining between President No and YS or to actively participate in the bargaining process.

Nevertheless, JP has a unique stand and position. He is one of the rare "permanent stars" in the government party. He does not shine by reflection from some other star, but has the ability to emanate light by himself. We may say that there are only three permanent stars in the DLP—President No, YS, and JP. To put it plainly, in most cases, any leader who is not nominated will be almost certain to lose his political life. That kind of situation is not right, but reality is reality.

After all, what will affect the YS-No Tae-u relationship most is the YS-JP relationship. When YS improves his relationship with JP, YS will find himself in a very good position in improving his relationship with President No.

The YS-JP relationship is not so simple, however. Although JP cannot be categorized as "anti-YS" under the present circumstances, he is far from "pro-YS." Unless a distinctive relationship is established with all potential ramifications, he may be called "anti-YS."

The key problem concerns other substance of what JP calls "the right path." JP maintains that the DLP candidate for the presidency should be selected at the regular party convention in May next year.

JP and his NDRP faction have a vital stake in selecting a presidential candidate after the general election. The NDRP faction is afraid that if the presidential candidate is selected before the general election, it would result in a fall in JP's political standing and make the assemblymen belonging to his faction worry about their chances of getting nominated for the general election and could eventually ruin them in the election in the Chungchong area.

In addition, if the presidential candidate is chosen before the general election, it would foreclose any chance of looking into various possibilities which would be created by the change in the political landscape resulting from the general election. For JP, "candidate selection first, election afterward" is a political agenda which will do him more harm than good.

The same assemblyman close to JP pointed out that "Needless to say, the presidential candidate is not selected in the National Assembly, but the DLP assemblymen play a key role in the composition of the party convention." He stressed the validity of the argument for "election first" when he said: "as far as political logic is concerned, having the members of the 13th National Assemblymen, who are now near the end of their term, choose the next presidential candidate is problematic. Moreover, it is reasonable that the members of the 14th National Assembly, who will serve the same term with the new president, should choose the presidential candidate."

The crux of the matter is that for YS, the principle of "candidate selection first, the general election afterward" is a vital political agenda which he cannot yield at all. Changes will take place inevitably in the factional political lineups after the general election, and as things stand now, there is little possibility that these changes will be to the advantage of the RDP faction.

How firm President No's grip on the DJP faction will be after the general election is also an element of uneasiness for YS. Some argue that even if the president nominates YS, it is possible that DJP assemblymen will not support the selection. One of the assemblymen belonging to the RDP faction asserted that "because of the very nature of politicians, you would find very few assemblymen who would be absolutely loyal to a president who is not expected to have any authority to nominate candidates for the 15th General Assembly."

In case the DLP can secure a majority in the legislature through the 14th general election without counting the assemblymen belonging to the RDP faction, YS would be bound to see his "political clout" markedly weakened. For this reason, he cannot abandon the "candidate selection first" principle.

In this way, YS and JP are acutely in conflict with each other over the political agenda. These two men have room for avoiding a zero sum game on the strategic plane, but are shackled by their conflict of interests on the tactical plane. How they will technically resolve these differences will hold the key to the YS-JP relationship.

Just as we cannot lightly discuss the question of "coexistence between the RDP and NDRP factions," we cannot easily assume an "alliance of the DJP and NDRP factions." The "alliance between the DJP and NDRP factions" at its present stage is nothing more than an emotional union between the anti-YS assemblymen in the DJP faction and the assemblymen in the NDRP faction who are not supportive of YS.

It is still doubtful whether this vague and emotional coalition will crystalize into a political union when a time of determination and decision comes.

Currently, everyone is groping in the dark. But, contrary to the general opinion, the possibility of "YS-JP coexistence" cannot be ruled out. Their 28 September meeting was an indication of such possibility.

* Yi Chong-chan's Bid

922C0058B Seoul CHUGAN CHOSON in Korean 24 Nov 91 pp 12-15

[Article by reporter Yi Yong-chu: "Assemblyman Yi Chong-chan Declares His Bid for the Presidency, Determined To Fight Kim Yong-sam in the Intraparty Open Competition Following the 14th General Election"]

[Text] "The selection of the candidate for the next presidency should necessarily be made through open competition. Only by doing so will the candidate be able to gain strength and win the next presidential election."

It was 9 November when the DLP was in the midst of seething over Secretary General Kim Yun-hwan's "theory of selecting the presidential candidate before the general election" and the subsequent demand of the RDP faction for an early disclosure of the agenda for selecting the next presidential candidate that Assemblyman Yi Chong-chan (Chongno Constituency in Seoul) stressed his pet "theory of open competition."

On that day Assemblyman Yi declared his intention to plunge into the intraparty open competition for the presidential candidacy.

He said: "I know there is the rumor that Yi Chong-chan is aiming at the next next presidency, but I am going to have a showdown for the next presidency. I will play fair and accept whatever outcome humbly. I believe that is exactly the wish of the people who support me."

That was not the first time Assemblyman Yi made that kind of statement. But his articulate statement this time deserves full attention because it was made at a time when the atmosphere of the party was gradually tilting in favor of Chairman Kim Yong-sam (YS), and Secretary General Kim's statement gave the impression that the selection of the heir before the general election is a foregone conclusion.

In the political world, even an identical statement takes on a different meaning depending on who made it, and when. For this reason, the latest statement of Assemblyman Yi, who is regarded as an "influential next-generation leader," is in essence taken as a cartel calling for a "showdown with YS."

It goes without saying that Assemblyman Yi is expected to exercise self-restraint so as not to attempt a rash preemptive attack, considering the complex inner situation of the party and the murky outlook for the selection of the presidential candidate. According to sources close to him, inasmuch as he is well aware of the temperament of the governing party, he would not do anything that would cause trouble by making any hasty move ahead of others before President No Tae-u makes up his mind.

Anyhow, the fact that he is raising the level of intensity in his "statements against YS" is out of the ordinary.

During his recent several press conferences, Yi Chong-chan reportedly expressed a strong degree of displeasure when he referred to the RDP faction's "demand that a clear agenda be presented for making YS the presidential candidate prior to the general election." His logic was that if he were to make every counter move against Kim, he himself would end up falling into a "trap," however.

"The reports you refer to are the trap set by the people who are only concerned about the presidential mantle. Those reports feed so much sugar to YS that he may contract diabetes. Diabetes, which invariably develops complications and is apt to cause cataract, impairs the vision of the patient. If YS and his RDP faction break the promise regarding the agenda for the current year, it would rather give us justification for our actions."

Yi maintained that if YS is chosen as the candidate, the DLP would have to fight an uphill battle in the election in the central part of the country. He said: "many voters do not like YS in areas other than the Yongnam area. If YS were to stand as the candidate in my constituency, we would lose all our votes in the Honam area. They say that a certain assemblyman in Seoul had a hard time trying to prevent YS from coming to help him with the campaign."

Yi Chong-chan also publicly refuted Secretary General Kim Yun-hwan's statement about the "inevitability of making an advanced adjustment before the general election." He confidently said that there is no such necessity, nor will there be any adjustment.

In this connection, we may say that the difference of opinion between General Secretary Kim and Assemblyman Yi over this issue stems from the difference in their appraisal of "YS' political clout." Secretary General Kim said, "if one does not make a favorable response in any form to YS' demand for providing a clear agenda for choosing the presidential candidate," YS would bounce and split the party." For this reason, Kim Yun-hwan takes the stand that the party should deal with this issue realistically.

It is a fact that Secretary General Kim's perception of reality and his stand that "we should never allow the party to be split" are received with a lot of sympathy in the party.

On the contrary, Assemblyman Yi's position is that YS cannot bolt, and even if he does, he should be left alone. Yi maintains that "from a realistic point of view, it would not be easy for YS to bolt the party and offer a helping hand to DP President Kim Tae-chung (DJ)." He cites the 1987 presidential election as the basis of his reasoning.

According to Yi Chong-chan, the split between the two Kims during the 1987 presidential election stemmed not only from their greed for the presidential powers but also from the prevailing circumstances which were such that if YS had run as the single opposition candidate, DJ would have lost his influence in the Honam area, and conversely, if DJ had run as the single candidate, YS would have lost his influence in the Yongnam area." The situation remains the same, Yi said.

In conclusion, Yi said: "The three factions in the party should pool their efforts and the three members of the Supreme Council share the responsibilities to win the general election before deciding on the agenda for the selection of the next presidential candidate." He made it clear that he is in favor of "choosing the candidate after the general election."

Yi Chong-chan also expressed his skepticism about the real motive behind General Secretary Kim's recent statement by saying "Secretary General seems to be exaggerating YS' capability."

The reason Yi's tone is tougher than ever before is that he believes that the secretary general's statement and the demand of the RDP faction stem from self-generated motives and have nothing to do with President No's intentions. In other words, in his view, there is no change whatsoever in the political agenda as conceived at the heart of the ruling party, and accordingly, the latest moves in question are nothing but single-shot happenings.

In this connection, Yi said, "As far as I know there is no change in the thinking of Chongwadae that after the general election is over, an agenda for selecting the presidential candidate and setting future political goals will be decided upon by considering all factors, including the outcome of the general election." Regarding YS, Yi Chong-chan said, "no doubt he is the man most favored as the candidate for the next presidency, but it is not right for him to demand the presidential mantle as if with importunity or by threat." Yi added, "he cannot put his demand through that way," however.

Yi Chong-chan stressed that "if from now on YS leads the party well as its chairman and accumulates trust in this process and then is chosen as the candidate by competition at the party convention following the general election, all will have to accept the outcome, and the public also will send cheers to him."

Despite his recent strident statements about the presidential candidature issue, he is not likely to behave differently all of a sudden. This is because he seems to think that at this stage it is enough to stop at "articulating his principles" with regard to this issue.

This is Yi Chong-chan's prognosis: "When the general election is over, the party will be completely reorganized and the atmosphere of the party will change. When that happens, no assembly member will lend an attentive ear to whatever odd things some odd man may say, and no one knows what will happen." In brief, on the cautious side he is believing that there are so many variables that he should wait until the agenda for selecting the next presidential candidate is decided upon.

It is interesting to note that as far as the timing for choosing the presidential candidate, Yi's view is identical to that of Sports Minister Pak Chol-on. Pak is quoted as saying that "Secretary General Kim's statement and similar statements by others are nothing but a public relations ploy aimed at swinging the majority opinion to their side, and as far as the political agenda is concerned, the president's position is firm and unshakable."

Coming as it did on the heels of his one-on-one meeting with President No Tae-u during his courtesy call at Chongwadae following his return home from a tour of Vietnam and two other Southeast Asian countries, Pak Chol-on's statement may mirror the atmosphere at the heart of the government party.

At any rate, Assemblyman Yi is bracing for a "showdown for the presidential mantle" which will come in the future, on the basis of his confident forecast of the political outlook. But, even on his own political horizon, there is little room for change in his "political standing."

In other words, for him the road to the presidency is still "far and rough." As his strongest point, we can mention "his popularity among the public." In this regard, he may be ahead of all others in the party as an alternate "card" capable of competing with YS.

Nevertheless, in terms of a political clout, Yi is no comparison with YS. Speaking of the "New Political Group," allegedly headed by Pak, it is something close to a seminar group in nature rather than a factional group of people with identical political interests. Of its members, assemblymen from Seoul like O Yu-pong (Unpyong A) and Kim Chung-wi (Kangdong B) roughly share the same political view with Yi Chong-chan. But, other assemblymen like Yi Chi-ho (Susong, Taegu) and Sin Sang-sik (Miryang) have recently begun to show a rejection to the group, hesitating to attend its meetings because it looks like a supporter group for Yi.

Needless to say, a considerable number of assemblymen in the central part of the country, including Seoul and Kyonggi Province, support Assemblyman Yi. But their ability to rally around him is doubtful.

The core of the leadership keeps him at some distance as a symbolic figure of the "non-TK (Taegu-Kyongbuk) force," and at one time he was not in good terms with President No. This also cannot but be a considerable handicap for him. Therefore, the general view is that seen from the point of view of the actual dynamics of power within the ruling party, it is hard to expect that Yi Chong-chan will be chosen as the presidential candidate.

Yet, with much emphasis on the possibility of a change in the political map following the general election, Yi Chong-chan seems to be bracing for this change. He thinks that if the drift of public opinion about a shift in generation or replacement of incumbents is reflected in the outcome of the general election, the situation created as a result may be advantageous to him.

He also thinks that if regional sentiments heat up in the Honam, Yongnam, and Chungchong areas during the general election, naturally it may stir up a reaction in the central part of the country.

Behind Assemblyman Yi's bold declaration of his intention to compete in the race for the presidential candidate of the ruling party, there seems to be his considerable faith in President No's ability to take the political initiative. In brief, according to Yi's projection, President No holds the trump card in the game for choosing the next presidential candidate which will be decided jointly by President No and-YS, and the extent of influence YS will be able to exercise in the flow of the political current ahead will shrink gradually.

In this connection, Yi Chong-chan also predicts that "even if President No decides to hand over the presidential power to YS, the timing for that decision will be after the general election, and the transfer will be made by following a certain procedure, rather than by designation."

Yi also said that "the whole ruling party will watch with attention how YS will behave until the president makes his decision," adding that "an arbitrary demand will only court common defeat."

We have to wait and see if this confident projection is a wishful forecast or it is based on a sound foundation. But it is certainly an interesting view.

Being a man very cautious in his every move, Yi Chong-chan most probably would not have made such a firm political statement unless he had his own strong view. For this reason, we have to watch his prediction that "after the general election, we may have to make different approaches in solving all problems."

UNEP Officials React Negatively to CFC Ban

SK2302005692 Seoul YONHAP in English 0618 GMT 22 Feb 92

[Text] Seoul, Feb. 22 (YONHAP)—The U.N. Environment Program (UNEP) has reacted negatively to South Korea's plan to join the Montreal protocol on ozone layer protection under a special clause temporarily allowing higher chlorofluorocarbon (CFC) consumption, the Foreign Ministry said Saturday.

74 parties to the protocol are also likely to push up the date banning all use of ozone-destructive substances to 1994 from 2000, the Ministry said.

K.M. Sarma, coordinator of the ozone secretariat under the UNEP directorship, has told officials that Korea does not meet the conditions to join the protocol under the special clause, the officials said.

Sarma was in Seoul Feb. 20-22 to review Korea's report on CFC consumption before it applied for Montreal protocol membership.

Korea will file the application Feb. 27, and formal membership will come three months later. It hopes to be categorized under Article 2 Paragraph 6, which would allow it to consume up to 0.5 kilograms of CFC's per capita.

If it is categorized otherwise, it will have to lower its consumption to 0.3kg. Korea's CFC consumption is estimated at 0.9kg per capita this year.

Article 2 Paragraph 6 was designed to benefit communist nations by recognizing their economic structures, such as government subsidies for CFC factories. Korea clearly does not fall in this category, Sarma is quoted by the officials as saying.

According to Sarma, protocol parties are expected to ban all CFC use by end of 1994 instead of 2000, alarming Korea, which has not yet developed CFC substitutes, according to the officials.

The United States announced last week that it was banning all domestic CFC use by end of 1994, and the European Community is likely to follow suit, they said.

Developing countries, which also lack the technology to invent CFC substitutes, are protected by a special clause that gives them a 10-year grace period in banning CFC use.

"South Korea ended up becoming a lonely orphan among Montreal protocol members," one Ministry official said. "We are neither an advanced nor a developing nation by protocol standards, and there are no other nations situated quite like us."

A final decision on whether Korea can join the special clause comes at the end of the year at the earliest, after Seoul submits a report on its CFC consumption level for 1986, the standard year used to determine a country's CFC reduction schedule.

The report is due within three months of becoming a protocol party.

Energy Ministry Announces Investment Plans

SK2402064092 Seoul YONHAP in English 0602 GMT 24 Feb 92

[Text] Seoul, Feb. 24 (YONHAP)—Six trillion won will be spent on the construction of energy-related facilities this year to ensure stable supplies, the Energy and Resources Ministry said Monday.

Korea Electric Power Corp. (Kepco) has drawn up plans to invest 4,733 billion won in the construction of power stations in preparation for a rise in energy consumption, it said.

Kepco will also hasten the completion of the Pyongtaek and Ildo thermoelectric power stations by 6-12 months to tide over the electricity shortage expected this summer.

Korea Gas Corp. plans to spend 463.4 billion won on facilities such as a gas pipeline in Kyonggi Province and expansion of the Pyongtaek liquefied natural gas (LNG) depot.

Korea Petroleum Development Corp. has earmarked 96 billion won this year for the construction of six petroleum storage depots to boost the nation's oil reserves to 60 days by 1996. The state-run corporation is also to invest 38.9 billion won in overseas oil development and 3.7 billion won in local exploration.

The government will pour 108.6 billion won into setting up energy-saving facilities and 238.2 billion won into research and development of energy-saving devices.

The government also plans to pay 48 billion won to close coal mines and 12.8 billion won for mechanization of coal mines this year, according to the Ministry.

Energy Consumption Rises at 'Alarming Rate'

SK2502031892 Seoul YONHAP in English 0057 GMT 25 Feb 92

[Text] Seoul, Feb. 25 (YONHAP)—Energy consumption by non-productive sectors, including the use of automobiles by ordinary citizens and electricity by the service industry, has risen at an alarming rate since the late 1980's, the Ministry of Energy and Resources said Tuesday.

In the case of automobiles, consumption of gasoline rose at an annual rate of 31 percent between 1986 and 1989, increased 34.3 percent in 1990 and jumped 21.2 percent in 1991, the Ministry said.

These figures compare with the annual increase in petroleum consumption of 12.5 percent, showing consumption of gasoline, mostly by cars, led the consumption of other petroleum products, the Ministry said.

Total consumption of electricity rose at an annual rate of 12.8 percent between 1986 and 1989, increased 14.6 percent in 1990 and climbed 10.6 percent in 1991. Electricity consumption by commercial establishments and the service industry increased 21.2 percent in 1986-98, 25.9 percent in 1990 and 16.1 percent in 1991.

Consumption of liquefied petroleum gas (LPG) by industries increased 40.2 percent in 1991 from the previous year, while consumption by households and commercial estalishments increased 70.1 percent, the Ministry said.

Use of liquefied natural gas (LNG) by industries soared 39.7 percent from the previous year, while consumption by homes and commercial establishments jumped 101.4 percent, showing non-productive sectors are the major guzzlers of gas.

Burma

Laotian Prime Minister, Delegation Make Visit

Saw Maung Welcomes Visitors

BK2402154092 Rangoon Burma Television Network in Burmese 1330 GMT 24 Feb 92

[Excerpts] At the invitation of Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] and prime minister of the Union of Myanmar [Burma], Mr. Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], and his delegation arrived for a goodwill visit at Yangon [Rangoon] airport by special aircraft at 1000.

Mr. Khamtai Siphandon and delegation were welcomed at Yangon airport by Senior General Saw Maung, chairman of the SLORC and prime minister; General Than Shwe, deputy chairman of the SLORC; Major General Khin Nyunt, SLORC secretary-1; Major General Tin U, SLORC secretary-2; Major General Myo Nyunt, SLORC member and commander of Yangon military command; Brigadier General Abel, minister for planning, finance, and trade; U Ohn Gyaw, minister for foreign affairs; U Maung Maung Lay, Burmese ambassador to Laos; the dean of the diplomatic corps and diplomats; Mr. Kideng Thammavong, ambassador of Laos and embassy personnel. [passage omitted on welcoming ceremony]

The Laotian Prime Minister Mr. Khamtai Siphandon was accompanied by a nine-member delegation including Mr. Phoun Sipaseut, deputy prime minister and minister of foreign affairs; Mr. Phao Bounnaphon, minister of foreign economic relations; Mr. Somsavat Lengsavat, minister attached to the Prime Minister's Office; Deputy Foreign Minister Mr. Souban Salitthilat; and Mr. Sian Saphangthong, deputy minister of agriculture and forestry. [passage omitted on visit to Shwedagon pagoda]

Lao Minister Meets Trade Minister

BK2502082292 Rangoon Radio Burma in Burmese 0430 GMT 25 Feb 92

[Text] Mr. Phao Bounnaphon, visiting minister for foreign economic relations from the Lao Democratic People's Republic, called on Brigadier General Abel, minister for trade, planning, and finance at 1500 yesterday at the Ministry of Trade, and held cordial and frank talks on bilateral economic and trade relations.

Present were Brigadier General Win Tin, deputy minister of planning and finance; U Win Naing, deputy trade minister; and U Maung Maung Kyaw, director general of the Directorate of Trade.

Talks Held on Cooperation

BK2402161892 Rangoon Burma Television Network in Burmese 1330 GMT 24 Feb 92

[Text] Mr. Sian Saphanthong, Laotian deputy minister of agriculture and forestry, and Mr. Phoun Sipaseut, director from the Ministry of Foreign Affairs, both members of the Laotian goodwill delegation led by Prime Minister Mr. Khamtai Siphandon, called on Lieutenant General Chit Swe, member of the State Law and Order Restoration Council [SLORC] and minister for agriculture and forests, at the reception hall of the Myanmar [Burma] Agriculture Service on Natmauk road at 1600.

At the meeting, cordial and friendly discussions were held on matters relating to bilateral cooperation on agriculture, forestry, economy, and trade.

Also present at the talks were Dr. Myint Thein, director general of Planning and Statistics Department under the Ministry of Agriculture and Forests; U Tin Hlaing, managing director of Myanmar Agriculture Service; U Hla Pe, managing director of Myanmar Timber Enterprise; U Ye Myint, director general of Forestry Department; and U Mya Thein, director general of the Survey Department.

Saw Maung Meets With Delegation

BK2402154492 Rangoon Burma Television Network in Burmese 1330 GMT 24 Feb 92

[Text] Mr. Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], who is currently in Yangon [Rangoon] on a goodwill visit, called on Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] and prime minister of the Union of Myanmar [Burma], at the Diplomat's Hall in the compound of the People's Assembly at 1830 this evening.

Present at the occasion together with Senior General Saw Maung were General Than Shwe, deputy chairman of the SLORC; Major General Khin Nyunt, SLORC secretary-1; Major General Tin U, SLORC secretary-2; Foreign Minister U Ohn Gyaw, and U Maung Maung Lay, Burmese ambassador to Laos.

The Laotian prime minister, Mr. Khamtai Siphandon, was accompanied by Mr. Phoun Sipaseut, deputy prime minister and minister of foreign affairs; Mr. Phao Bounnaphon, minister of foreign economic relations; Mr. Somsavat Lengsavat, minister attached to the Prime Minister's Office; Deputy Foreign Minister Mr. Souban Salitthilat; Mr. Sian Saphangthong, deputy minister of agriculture and forestry, and Mr. Kideng Thammavong, Laotian ambassador to Myanmar.

Saw Maung Speaks at Banquet

BK2502032392 Rangoon Burma Television Network in Burmese 1330 GMT 24 Feb 92

[Text] Senior General Saw Maung, chairman of the State Law and Order Restoration Council [SLORC] and prime minister of the Union of Myanmar [Burma], held a banquet in the reception hall in the compound of the People's Assembly at 1900 this evening in honor of Mr. Khamtai Siphandon, prime minister of the Lao People's Democratic Republic [LPDR], and his delegation.

The banquet was attended by members of the SLORC led by General Than Shwe, deputy chairman of the SLORC; members of the cabinet; the chief justice; the attorney general; deputy ministers; the mayor and chairman of the Rangoon City Development Committee; the leader of the SLORC Information Committee; the dean of the Diplomatic Corps in Myanmar and ambassadors; officials from United Nations agencies; and senior military and civilian officials.

Senior General Saw Maung, chairman of the SLORC and prime minister of the Union of Myanmar, first delivered a speech at the banquet and raised a toast. Following is the full text of the speech delivered by Sr. Gen. Saw Maung:

[Begin speech] [read by announcer] Your Excellency Prime Minister Khamtai Siphandon, members of the Lao delegtion, distinguished guests, and friends: I am honored to have the opportunity to again welcome your excellency and your delegation. I firmly believe that your excellency's visit will further strengthen the existing friendship and understanding between our two countries and people.

Your Excellency: Since independence, our Union of Myanmar has been practising an independent and active foreign policy. Our external relations are conducted on the basis of the Five Principles of Peaceful Coexistence. It is our believe that these five principles, which are being practiced in the region, should be practiced worldwide if a new peaceful and prosperous international order is to be established by the international community.

Your Excellency: The Union of Myanmar is endeavoring to establish a new system which is in accordance with the wishes of the people, and current conditions, time, and need. As part of the program to establish a new system, a new constitution is to be drafted, endorsed, and promulgated after a national convention is held to solicit the wishes of all the indigenous national races.

Our views and values for the future can be judged from our convictions and work regarding our priority tasks for environmental protection, narcotic drugs control, and human rights—the provision of adequate food, clothing, and shelter.

Your Excellencey: It is known to all that there is freedom of religion in our country. We are religious in words and deeds and are endeavoring to promulgate Theravada Buddhism not only in the country, but outside the country as well. In this connection we are honored and grateful recently to have received the active cooperation of the Lao Government and the people.

Your Excellency: Myanmar is pleased with the smooth progress in border demarcation work being undertaken by the two countries. There is still more potential for bilateral trade and relations which will benefit both nations. Furthermore, our two countries are actively cooperating with the UN and UN agencies in fighting the threat of narcotic drugs in the interests of all mankind. Our two countries, which are good neighbors, have no outstanding issues between us.

Your Excellency: We note with pleasure that the Union of Myanmar, the Lao People's Democratic Republic, and other like-minded countries in the region are striving to establish a more stable and prosperous region in the future. We are observing with interest how the LPDR and other countries in the region are endeavoring to cooperate more closely with the ASEAN countries despite different political systems. No doubt a stable and prosperous Southeast Asia can contribute to a more stable and prosperous international order.

Your Excellency: In conclusion, I would like to add that I take great pleasure in having the opportunity to meet with your excellency and your delegation. I believe that these meetings are mutually beneficial and will further strengthen our friendly relations. Although your stay is very short to fully enjoy our tradition of hospitality, we have made arrangements for your excellency's stay to be enjoyable and beneficial.

Distinguished guests and friends: Please join me in a toast to the lasting friendship between the Union of Myanmar and the Lao People's Democratic Republic, to the health and well-being of Lao Prime Minister Khamtai Siphandon, and to the health and well-being of the guests and friends present here this evening. [end speech]

The State Band played the national anthem of the LPDR after the speech by Senior General Saw Maung.

Next, LPDR Prime Minister Mr. Khamtai Siphandon, delivered a speech and proposed a toast. The following is the speech by General [as heard] Khamtai Siphandon:

[Begin speech] [read by announcer] Your Excellency SLORC Chairman and Prime Minister Senior General Saw Maung and distinguished Myanmar and Lao guests: I am very honored and happy to have the opportunity to lead the LPDR delegation to pay a friendly official visit to the Union of Myanmar—a pleasant and beautiful country. I would like to express my thanks to the government and people of the Union of Myanmar for their warm hospitality extended to me and my delegation. I would especially like to express my thanks to His Excellency Senior General Saw Maung for hosting the banquet in our honor tonight.

We are very delighted with your excellency's speech. I would like to say that we bring with us friendship and goodwill from the Government and people of Laos for the people and Government of Myanmar. I believe our current visit will further contribute to the existing friendly relations and cooperation between our two countries.

Your Excellency: Laos and Myanmar are two neighboring countres which have had close ties since time immemorial. Our two countries have similar religious and cultural traditions which we have been able to preserve. Our two countries had shared a similar fate under the yoke of colonial rule and bravely struggled for national liberation after suffering under oppression for many years. We are pleased to witness the outstanding development of our bilateral friendship and cooperation which is based on the principles of mutual respect of independence, sovereignty, and territorial integrity; noninterference in each other's internal affairs; avoidance of use of force and threat to use force; peaceful solution to bilateral problems; cooperation based on equality and mutual benefit.

Our bilateral relations have noticeably developed in the recent years for the people of the two countries. The two countries were able to open a new chapter in the bilateral relations by appointing ambassadors. The work of the Joint Border Committee, which is expected to be completed at the end of this year, has been very satisfactory and successful. Such success paves the way for signing of the historic Lao-Myanmar Border Agreement and will create a border which is peaceful and friendly and which reflects true cooperation.

The exchange of visits between Lao and Myanmar Buddhist monk delegations is an outstanding development which will contribute to close ties between Lao and Myanmar Buddhists and people. I believe that our traditional ties will grow further.

While I have this opportunity I would like to congratulate the Myanmar Government under the leadership of Senior General Saw Maung for its efforts for development and progress of Myanmar and its people and social stability based on the concrete conditions in the country. I would also like to express thanks on behalf of the Government and people of Laos for the material and moral support extended to us during the time of natural disasters last year.

Distinguished Myanmar friends: There have been far-reaching and complicated changes in the international and regional situation in recent years, and many countries have expressed their concerns. However, they are hoping to contribute to international cooperation for peace and development based on the principles of equality and justice.

As for the LPDR, the Lao Government will continue to practice foreign policy based on peace, independence, friendship, and cooperation, and will actively discharge its international duties. The Lao Government is currently carrying out general reforms under the program for national development and there has been some outstanding success. The internal stability has contributed to raising the people's standard of living.

In the last year, the Constitution and some laws were officially promulgated and these laws enhanced the unity of the people and confidence in the LPDR Government and further improved the government stability. We firmly believe that in implementing this policy we will be able to overcome hindrances and difficulties in the course of national development with the diligence of the Lao people and assistance and cooperation from friendly countries.

May I invite the distinguished guests and friends to join me in a toast to the Government and people of Myanmar to obtain success in their endeavor for national development and prosperity; to the health and happiness of Senior General Saw Maung; to the health and happiness of distinguished guests; and to lasting friendship and cooperation between Laos and Myanmar. [end speech]

After the state guest had delivered the speech, the state band played the national anthem of the Union of Myanmar.

At the banquet, the musicians from the Myanmar Television and Broadcasting Department sang modern songs before dinner and the Fine Arts Department from the Culture Ministry played classical music during dinner. After the dinner, dances were presented at the Theatrical Hall.

Displaced Shan Villagers 'Massing' Near Border

BK2202013992 Bangkok BANGKOK POST in English 22 Feb 92 p 3

[Text] Mae Hong Son—An estimated 8,000 Shan State villagers who fled from a Burmese army offensive are now massing near the border of this northwestern province.

Shan rebel sources said yesterday the displaced villagers were ready to spill over into Thailand if pushed by pursuing Burmese soldiers.

Shan State villagers are now living with Maung Tai Army (MTA) of drugs war lord Khun Sa, according to the the source.

"Shan State villagers from the townships of Lashio, Tangyan, Mongyai and Mongyaw have massed on the Thai border following pressure from the Burmese army," the source said.

He said 8,000 Shans had fled their villages beginning in mid-August last year when the Northeastern Command of the Burma Army launched suppression operations against them.

"The fleeing Shan displaced persons are now living with Maung Tai Army (MTA) of Khun Sa," the source said.

"At least 30 Shan families (150 people), are reported to have fled to Thailand. They are reported to be in Fang District of Chiang Mai Province."

He said several hundred Shan people were killed during the period from August to January this year.

"The heavy fighting between the Shan rebels of Khun Sa's MTA and the Burmese army is continuing," the source said.

The Shan Human Rights Foundation, based in Khun Sa-controlled territory, about 40 kilometres from the Thai border of Mae Hong Son Province, has made an appeal to the UN's High Commissioner for Refugees (UNHCR) asking for help for these displaced people.

Chairman of the Shan Human Rights Foundation, Khun Yaa U, said in the letter dated February 20, addressed to the UNHCR regional representative in Thailand, that since mid-August last year, thousands of people fled to havens in Khun Sa's area of control when their villages were raided, looted, and destroyed by Burmese forces.

The letter said that many Shan are afflicted with dysentery, malaria and fever due to living in unsheltered places without blankets. It stressed that malnutrition was rife.

The letter said that the Foundation, along with the Shan Red Cross, and with the cooperation of the local authorities, had been doing what they can to help these refugees.

But because of their meager resources it is becoming increasingly difficult to accommodate their most basic needs, so it has asked for aid from the UNHCR and all concerned agencies, the letter said.

NLD Top Officials Deny 'Witch Hunt' Intent

BK2502021692 Hong Kong AFP in English 0201 GMT 25 Feb 92

[By Erskine McCullough]

[Text] MANERPLAW, Burma, Feb 25 (AFP)—Major-General Khin Nyunt, head of Burma's military intelligence, and junta chief General Saw Maung, head a list of key officers to be put on trial when a democratic government is installed here.

But top officials of the National League for Democracy (NLD), which swept the 1990 elections, deny claims they will carry out a witch hunt against the junta which has ruled by fear since grabbing power in 1988.

Since the elections, the military has refused to hand over power and has carried out a systematic campaign to destroy the NLD, rounding up and jailing scores of senior officials and MPs.

Some, including Win Khet, the most senior NLD official still at liberty, have fled into the jungle and set up their headquarters at Manerplaw, the symbolic capital of the anti-Rangoon movement.

The sprawling settlement close to the Thai border is now under seige from Burmese troops, but Win Khet insists that no matter what happens here nothing will halt the movement to oust the military dictatorship and bring democracy to Burma.

"When we finally come to power, we do not want revenge against the junta. But justice must be done. The people will insist," said the 55-year-old, who has been on the run from the military since 1989.

He said the NLD could never forgive certain members of the State Law and Order Restoration Council (SLORC), the junta's official title, for what they have done.

"But there will be no mob rule. No revenge. Just justice," said Win Khet.

"The junta can hardly complain. After all they say they represent law and order. Surely they are prepared to face the might of the law," he added.

Philippine Foreign Minister Raul Manglapus, after a brief visit to Rangoon late last year, said the military were clearly scared about a Nuremberg-style trial after a handover of power.

"It seems to be something they are very concerned about. The possibility of such a trial was mentioned more than once during discussions," said Manglapus shortly after his trip.

However, an NLD official in Manerplaw, who declined to be named out of fear for the safety of members of his family still living in Rangoon, said not all SLORC members would automatically be put on trial.

"We know who the real leaders are. Khin Nyunt, Saw Maung and a couple of others. They are the ones who must answer to the people," he said.

But with any changeover of power still likely to be several years away, there is growing doubt Saw Maung will ever go on trial.

According to reports coming out of Rangoon, the 64-year-old is becoming more and more eccentric and in December he was reported to have had a nervous breakdown.

Foreign observers have noted that his speeches—long, rambling, disjointed discourses—add fuel to suggestions he is mentally unstable.

However analysts are convinced that the "star" of any trial would be the 52-year-old Khin Nyunt.

Opponents frequently describe him as the most feared man in Burma, claiming that his vast military intelligence machine spys on everyone, including his junta colleagues.

"He keeps tabs on everyone, no matter who. No one feels safe from him," said an NLD official.

Last year, a Rangoon resident, who has met Khin Nyunt several times, described him as "a very wicked man and probably sadistic."

Since his dramatic rise to power, Khin Nyunt is accused of being responsibile for the torture of hundreds of pro-democracy followers and the death of scores of other innocent people.

Rangoon businessmen who have had to deal with him, claim he has amassed a personal fortune through corruption, demanding massive payments before ensuring building contracts are awarded.

He has also been linked to Burma's multi-million dollar illegal heroin trade, a charge he strenuously denies.

Several Western observers in Rangoon report that although stories about Khin Nyunt and the drugs trade continue unabated, there has never been any proof to directly tie him to the trafficking.

"If he is ever put on trial, a lot of stuff is likely to come out. His colleagues will not want to go down with him," said an NLD official.

But as the battle for Manerplaw rages on, the pro-democracy movement's struggle to see justice done is unlikely to be fulfilled any time soon.

Brunei, Malaysia & Singapore

Malaysia

Defense Minister on Thai Border Meeting

BK2202140292 Kuala Lumpur Radio Malaysia Network in English 1330 GMT 22 Feb 92

[Text] The defense minister, Datuk Sri Najib Tun Razak, says Malaysia will raise the question of a clearer demarcation of boundary at the Malaysian-Thai General Border Committee meeting to be held in Bangkok on 27 February. The minister, who will represent Malaysia at the three-day meeting, said that this had to be done to prevent the recurrence of incidents which had occurred as a result of misunderstanding over the actual boundary. He said the government hopes to get a better picture on the incidents after the meeting.

Datuk Sri Najib was speaking to reporters after accompanying the Barisan Nasional candidate in the Jerai parliamentary by-election to the nomination center at the [name indistinct] district office. He said that the meeting was also expected to discuss the clearing of booby traps along the border areas and the return of former members of the banned Communist Party of Malaya to the country.

Talks To Solve Border Issue With Singapore

BK2402065692 Kuala Lumpur Voice of Malaysia in English 0600 GMT 24 Feb 92

[Text] Foreign Minister Datuk Abdullah Ahmad Badawi says issues relating to the Malaysia-Singapore border will be resolved through bilateral talks. This is in line with the spirit of ASEAN cooperation. He told reporters in Johor Baharu that the question of Pulau Batu Putih [island], which was claimed by Singapore, was in the process of being discussed by the two countries.

He was confident that Singapore, Indonesia, and Malaysia would be able to play a positive role in the development of the Growth Triangle involving Singapore, Johor, and Batam island.

Badawi Warns Australian Film Could Strain Ties

BK2402113692 Kuala Lumpur BERNAMA in English 0916 GMT 24 Feb 92

[Text] Kuala Lumpur, Feb 24 (OANA/BERNAMA)—Australia should look back at the causes of its recent strained relationship with Malaysia to stop the same problem from recurring, Foreign Minister Abdullah Ahmad Badawi said Monday [24 February].

All parties in Australia should refrain from hurting Malaysia's feelings again if the present relationship was to be maintained, he added.

He was commenting on newspaper reports Monday about the release of an Australian-made film, "Turtle Beach", which was said to depict ill-treatment and slaughter of Vietnamese refugees in Malaysia.

In front-page articles critical of the film, two major Australian newspapers "THE AGE" and "THE AUSTRALIAN" said it could pose another threat to diplomatic and commercial relations between the two countries the way a television series "Embassy" did last year.

Abdullah declined to comment on the film as he had not seen it but he sounded the reminder that the recent strained ties between the two countries was due to the Australian media's untrue reports about Malaysia.

"I'm sure the Australians by now should have understood that we can be very sensitive about certain things and certainly we are not happy about the way we are projected," he said.

Asked if Malaysia contemplated action to stop release of the film, Abdullah said he did not want to anticipate anything at the moment.

"Malaysia would certainly be unhappy and angry if what they say about us is untrue and certainly they cannot expect us to feel otherwise," he added.

Describing the present relationship between the two countries as normal, he said it was better to have friends than enemies and to have cooperation than to have strained relations.

Earlier, Abdullah received French Defence Minister Pierre Joxe at his office here and briefed him on the latest situation in Cambodia. Abdullah, who visited Cambodia last week, conveyed Cambodia's appeal for early deployment of the United Nations Transitional Authority in Cambodia (UNTAC) so that the peace accord signed in Paris last year could be fulfilled.

UMNO Delegation To Meet King, Rulers

BK2302085292 Kuala Lumpur Voice of Malaysia in English 0800 GMT 23 Feb 92

[Text] A delegation of vice presidents from the ruling United Malays National Organization, UMNO, will meet with the king and the rulers of the various states next week. The meeting is to convey the party's views on the royal household's involvement in the administration and the economy.

Prime Minister and UMNO President Datuk Sri Dr. Mahathir Mohamed said the delegation would convey views [words indistinct] during their audiences with his majesty and their highnesses.

The prime minister earlier had an audience with the king. Datuk Sri Dr. Mahathir said many UMNO members want the views to be more representative. He told reporters in Kuala Lumpur that the vice presidents in the delegation are Datuk Sri Anwar Ibrahim, Datuk Sri Sanusi Junid, and Datuk Abdullah Haji Ahmad Badawi. The rulers' conference will hold a two-day meeting from Wednesday [26 February] at the Istana Negara [State Palace] in the Malaysian capital.

Some 700 Apply for UMNO Membership

BK2302100892 Kuala Lumpur NEW STRAITS TIMES in English 21 Feb 92 p 2

[Text] Pasir Mas, Thurs.—A total of 695 application forms to become UMNO [United Malays National Organization] members were today submitted to the prime minister's political secretary, Dr. Abdul Malik Mohamed Hanafiah, here today.

The forms were handed to Dr. Abdul Malik by former Semangat 46 [Spirit of 46 Party] Banggol Chicha Branch youth chief Ismail Chik and former penghulu [village headman] of Kampung Jal Kechil Haji Ibrahim Awang who claimed to be representatives of ex-Semangat 46 and PAS [Pan Malaysian Islamic Party] members.

Encik [Mr.] Ismail, 39, met after submitting the forms, said that he was representing more than 400 ex-Semangat 46 members who were dissatisfied with the PAS leadership which failed to look after the welfare of the rakyat [people].

The function was held at Sekolah Kebangsaan Makasar [Makasar National School] near here. Also present were UMNO Pasir Mas Division chief Haji Hassan Ismail, Division Youth Chief Hanafi Mamat, and Wanita [Women's group] chief Senator Rogayah Che Mat.

"It is almost two years since PAS took over the state, but so far, the Kelantan Government has failed to make any improvements to the living standard of the rakyat.

"All the PAS Government is doing is making a lot of noise over small issues," Encik Ismail said.

He said the ex-Semangat 46 members were from three branches—Lubok Chekok, Banggol Kemiyan, and Banggol Chicha—all in the Pasir Mas Parliamentary Constituency.

Haji Ibrahim, who claimed that he was submitting more than 200 forms from ex-PAS members, said that they left the party on their own accord.

Singapore

Official Discusses ASEAN Economic Cooperation

BK2302103092 Singapore THE STRAITS TIMES in English 22 Feb 92 p 1

[By Sumiko Tan]

[Text] ASEAN economic co-operation is headed in the right direction but more needs to be done apart from the creation of a free trade area, deputy Prime Minister Lee Hsien Loong said yesterday.

ASEAN governments will have to take additional steps to strengthen economic ties, beyond having the ASEAN Free Trade Area (AFTA), and long before the 15 years required to implement it, he said at a Foreign Correspondents' Association lunch talk.

Speaking on regional developments following last month's ASEAN summit, he noted that the success of ASEAN's economic co-operation should not be measured just by the technical success of AFTA—how many products are in the scheme, or how quickly tariffs have been brought down.

"A truer measure is a broader one—how quickly the ASEAN economies have grown, how strongly economic links have developed among them," he said.

As for AFTA, which was endorsed at the Summit, he pointed out that while its direct effect was to encourage a division of labour among member countries to produce for the home market, the indirect and wider objective was to produce for export.

"The AFTA is the bait, an additional incentive for the foreign investors to invest in ASEAN," he noted.

In his speech to about 200 journalists, diplomats and businessmen at the Raffles Hotel's Ballroom, BG [Brigadier General] Lee also spoke about what would affect the success of ASEAN's economic co-operation.

Apart from the global economic environment and regional security, he singled out the political direction and will of ASEAN governments.

They must decide, he noted, when policies were in their countries' interests, and take positive action to implement them.

"Political will depends not only on the personal courage of leaders, but also on their assessment that the action is politically advantageous, or at least not too costly," he said.

He noted that this was especially the case when leaders had to be elected, as they do in five of the six ASEAN countries, he remarked:

BG Lee, who is also the Trade and Industry Minister, pointed out that the success of the AFTA, depended on the continuation of the policies of two ASEAN leaders—Thailand's Anan Panyarachun and Indonesia's President Suharto.

On Thailand, he noted that although the present government was committed to making sure that future leaders did not reverse the process of economic liberalisation, this could only be a temporary solution as "in the longer run the popular will cannot be denied". But, he added, it was not impossible to find a more permanent solution given ASEAN's encouraging recent record.

To illustrate, he pointed out that even Indonesia, which had traditionally been the most cautious ASEAN member when it came to economic cooperation, was willing to move forward, including bringing capital goods into the AFTA.

The idea of Common Effective Preferential Tariffs (CEPT), through which AFTA was intended to be implemented, was from Indonesia, and was a key to the successful conclusion of AFTA, he said.

On making ASEAN policies less depended on who was in charge, he suggested institutionalising the linkages of economic co-operation, and creating vested interests to keep the projects going.

As an example, he cited Singapore's involvement in projects in Batam and Bintan as creating a powerful incentive for the two governments to maintain good ties.

Turning to ASEAN's commitment to AFTA, he said it signalled "a major shift in attitudes".

"It shows a pragmatic recognition of the realities of the internatonal economic environment, and an appreciation of the policies necessary to promote economic development".

He cited four reasons:

—The outward-looking, market-oriented policies pursued by Indonesia, Malaysia, and Thailand had made ASEAN members confident that their manufacturing industries could compete in the world market.

—The proliferation of economic links among the private sectors of ASEAN.

—Developments in the international economy, and ASEAN's growing realisation of the challenges posed by the Single European Market and the North American Free Trade Area.

—The experiences of other developing countries, like India and China, in promoting foreign investments had served as an example and a challenge to ASEAN.

As for Singapore's role in promoting economic co-operation, he noted that it had always been a delicate one. "Being a free trading economy, we do not want to be misunderstood to be cashing in on concessions being made by the others, or to be promoting freer trade to gain a unilateral advantage."

Singapore was less interested in gaining access to Indonesian or Thai markets as in making ASEAN "a stronger raft to attach ourselves to" he said. It was thus willing to stay out of individual co-operation projects until the others were ready for it to join.

ASEAN Stand on Environment Analyzed

BK2502075692 Singapore THE STRAITS TIMES in English 24 Feb 92 p 26

[Editorial: "ASEAN Takes an Eco-Stand"]

[Text] ASEAN environment ministers arrived last week at a common stand to present to the United Nations Conference on Environment and Development (UNCED) in June. However, doubts remain about whether UNCED will degenerate into a platform for Third World-bashing, and Malaysia considers the threat serious enought to reserve judgment on whether to attend the conference in Rio de Janeiro, Brazil. The paradoxical result is that ASEAN, as Philippine environment secretary Fulgencio Factoran put it candidly, has a united stand on UNCED—except on whether to attend at all. But it would be a shame if Malaysia or any other country felt that it had nothing to gain from attending

UNCED. As the ASEAN ministers themselves recognised in their joint stand, UNCED "offers a unique opportunity to put into effect programmes for global environmental management and the achievement of sustainable development". It needs the concerted effort of all nations to make it work.

Of course, the North-South divide in the environment debate is genuine and deep. The cost of environmental protection is considerably different for different countries, depending on their stages of development. The North, already at a high level of industrial development, feels it can now explore cleaner ways of doing things. For the South, the priority is still to put its industrialisation on a firm footing. With its stable population, the North is under relatively little pressure to encroach on its remaining natural areas for settlement or exploitation. For the South, with its booming population, the cost of leaving the forest alone gets higher every day. In short, the North, which has done its worst, can afford a righteous attitude now. The South is not so lucky.

Faced with the need to pursue economic development and irrefutable evidence that the global environment is in danger, ASEAN has emerged from its fourth Ministerial Meeting on the Environment with a sound stand. It is based on the principle of sustainable development. This means striving for development without such high ecological cost that the environment's capacity to renew itself is choked and future generations are robbed of a secure existence. ASEAN feels that the development imperative is not sufficiently emphasised in international discussions about the environment. Nor is the issue of equity. As Indonesian Minister Emil Salim noted, before the North calls for freezing emissions of greenhouse gases it must face the fact that it emits four tonnes of greenhouse gases per capita annually, compared with developing countries' mere 0.1 tonne per capita. And if the world wants ASEAN countries to take their rain forests out of their development process to serve as a bank for biological diversity, then it seems reasonable that the world compensates ASEAN countries for the forgone earnings.

ASEAN thus argues that any efforts towards protecting the global environment must be matched by equitable measures in developed countries. They must also involve arrangements for providing financial resources and for the transfer of appropriate technologies. It is a stand worthy of being pursued with vigour. But there is a balance to be struck between conviction and belligerence. ASEAN is treading a delicate line. Moves to boycott UNCED, even if only intended to draw attention to the South's concerns, may sound unnecessarily defensive. Worse, they may be infectious, making other developing countries feel they should stay away. Then, the warning that UNCED will end up against the South's interests could well become a self-fulfilling prophesy. ASEAN should instead do all it can to rally support among developing countries for its common stand. Malaysia's hosting of a ministerial conference for developing countries on environment and development in late April is a step in this direction. In the final months of preparation before UNCED, the South needs to be plugged into the process, lest a unique opportunity for global environmental cooperation is lost.

Cambodia

Leaders Comment on Presence of Vietnamese Troops

Sihanouk To Wait for UNTAC

BK2502060192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 2300 GMT 24 Feb 92

["Message from His Royal Highness Prince Norodom Sihanouk to compatriots;" dated 25 February—read by announcer]

[Text] Beloved children and compatriots: Some people have proposed that I think about the current presence of Vietnamese troops in Cambodia and the arrival in our country of increasing numbers of male and female Vietnamese nationals.

I have the honor to inform you of the following:

1. Since I arrived in our beloved motherland on 14 November 1991, in the capital and the provinces I could visit, I have not seen a single Vietnamese soldier or many male and female civilian Vietnamese. However, concerning this issue of Vietnamese troops, when His Excellency Yasushi Akashi, special representative of the UN Secretary General and the UN Transitional Authority in Cambodia [UNTAC] arrive in our country , I will ask them to find out whether currently there are units of Vietnamese troops in Cambodia or not.

After this extensive search, if there is one or many units of Vietnamese troops in Cambodia, these units will have to leave Cambodia immediately and return to Vietnam.

2. Concerning the increased number of Vietnamese residents in Cambodia, this can be solved by Cambodia's National Assembly and a new Cambodian national government resulting from the general elections in our country in April or May 1993.

I, Norodom Sihanouk, do not have governmental, administrative, military, or police power. I also do not have political and material means to conduct this kind of search.

Children and compatriots, please accept my profound respect and consideration and my most ardent love.

Done in Battambang on 25 February 1992

[Signed] Norodom Sihanouk

Khieu Samphan Reiterates Danger

BK2502041792 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Feb 92

["Text" of 17 February message from Khieu Samphan, member of the Supreme National Council and chairman of the Party of Democratic Kampuchea (PDK), to Ali

Alatas, Indonesian foreign minister and cochairman of the Paris International Conference on Cambodia]

[Text] Your Excellency: The danger of the Paris agreement dated 23 October 1991 on ending the Vietnamese war of aggression against Cambodia being turned into an agreement legitimizing Vietnam's continued occupation of Cambodia is becoming more apparent. For this reason, I am of the opinion that in the name of the Party of Democratic Kampuchea [PDK], I am duty-bound to inform Your Excellency, through this letter, of this serious danger.

The situation concerning the implementation of the agreement is as follows:

1. Despite the close attention paid by the international community and Cambodian national opinion to this issue, the UN Transitional Authority in Cambodia [UNTAC] has not yet come to ensure that all foreign forces are withdrawn from Cambodia. It is still not clear when it will arrive.

2. The agreement clearly says that the Supreme National Council [SNC] chaired by His Royal Highness [HRH] Prince Norodom Sihanouk, head of state, is the sole source of power in Cambodia. However, the danger is becoming more apparent that the SNC will be pushed into a state in which it exists only in name for legitimizing and concealing Vietnam's continued occupation of Cambodia.

3. UNTAC's delay in coming to Cambodia has encouraged Vietnam to intensify military activities to attack the Cambodian national resistance forces in the current 14th dry season in violation of the 23 October 1991 Paris agreement.

4. UNTAC's delay in disarming the four Cambodian factions also contributes to allowing Vietnamese aggressor forces to use this situation to cover themselves and carry out activities against the Cambodian national resistance forces at will.

5. Along with this, a large amount of aid has been flowing into Cambodia in the form of humanitarian, economic, social, and cultural aid; aid for rehabilitating and restoring Cambodia; and aid for preserving Cambodia's historic temples, and so on.

This aid should be given to the SNC—which the agreement clearly says represents the sole source of power in Cambodia. In conformity with the agreement, this aid should be allocated, administered, and controlled by the SNC. But, in practice, due to the fact that the SNC is in such a situation as mentioned above, the SNC has no rights, power, or means to administer and control the use of this aid.

Therefore, the administration of aid does not conform to the 23 October 1991 Paris agreement on Cambodia. In fact, this aid has not reached the suffering Cambodian people. It has not served the aim which has been officially set. On the contrary, a large part of it fell into the hands of the Vietnamese aggressors, who continue to occupy Cambodia and use it for buying food, fuel, and all other supplies for Vietnamese troops to continue attacking the Cambodian national resistance forces.

6. There are forces urgently pushing for the meetings of the SNC, the SNC Secretariat, and the Mixed Military Working Group. These urgent meetings are being called for at a time when UNTAC is not yet here. There are forces pushing for introduction of new legislation, new essence, and new administration successively. Following this successive process for new legislation, new essence, and new administration will in the end lead to a new agreement which is the opposite of the agreement everyone solemnly signed in Paris on 23 October 1991. In sum, more than three months after the signing of the agreement to end Vietnam's war of aggression in Cambodia, the main and core points of this agreement not only has not yet been implemented, but the danger has arisen that this agreement will be diverted into one legitimizing Vietnam's continued occupation of Cambodia.

Taking all this into account, on behalf of the PDK, I appeal to national and international opinion to unite and thwart the danger that the agreement ending Vietnam's war of aggression in Cambodia will be changed into an agreement legitimizing Vietnam's continued occupation in Cambodia, and also to get all parties, signatories of the 23 October 1991 Paris agreement on Cambodia, to turn back to abide by the essence and spirit of the agreement.

Along with this, it is necessary to jointly push for UNTAC's quick deployment in Cambodia without further delay to start implementing the agreement, particularly its essence, and central points, which includes:

1. Supervision of the withdrawal of all foreign forces from Cambodia and a guarantee that these forces do not return to Cambodia; and

2. Supervision of the disarming of all four Cambodian parties' armed forces.

On this occasion, the PDK would like to reaffirm its position on abiding by the 23 October 1991 Paris agreement. As long as UNTAC has not yet arrived to work together with the SNC chaired by HRH Prince Norodom Sihanouk to settle those two core issues and create a neutral political atmosphere in Cambodia, all other issues will remain unsolved.

The solution of other problems apart from these two core issues is akin to partially solving minor problems. This runs counter to the Paris agreement on Cambodia which mandates the comprehensive settlement of the Cambodian problem.

Please, Your Excellency, accept my highest regards.

[Dated] Phnom Penh, 17 February 1992

[Signed] Khieu Samphan, SNC member and PDK chairman

Leaders Meet, Greet Various Foreign Visitors

Sihanouk Receives Japanese Group

BK2302101992 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 21 Feb 92

[Text] At 2200 on 20 February at Khemarin Palace, His Royal Highness [H.R.H.] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC] of Cambodia, granted an audience to His Excellency [H.E.] Kazuo Aichi, member of the Japanese diet from the Liberal Democratic Party. Speaking on that occasion, H.R.H. Prince Norodom Sihanouk warmly welcomed the visit by the Japanese parliamentary delegation to Cambodia.

On behalf of the Cambodian Supreme National Council [SNC] and people and in his own name, the prince expressed gratitude to Japan for its assistance in the restoration and reconstruction of Cambodia and its participation in the singing of the Paris peace accord as well. H.R.H. Prince Norodom Sihanouk added: From now on, our two countries will certainly promote their multifarious cooperation. And he wished the Japanese parliamentary visit success.

In his reply, H.E. Kazuo Aichi said he was very happy to have been received by the prince. He added that, in his capacity as a member of the Liberal Democratic Party in the Japanese Diet, he would further strive to help Cambodia in its reconstruction and development.

Chakkrapong Receives Japanese Envoy

BK2302103192 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 21 Feb 92

[Text] On the afternoon of 20 February at the State of Cambodia [SOC]'s Council of Ministers office, Prince Norodom Chakkrapong, vice chairman of the SOC Council of Ministers, held talks with His Excellency [H.E.] Yukio Imagawa, Japanese permanent representative to Cambodia. The discussion focused on the situation in Cambodia, which is currently facing a serious shortage of everything, in particular basic necessities for the people. They also discussed ways to salvage the Cambodian people from poverty due to the war.

H.E. Yukio Imagawa reassured the prince that the Japanese Government would continue to assist in promoting the Cambodian culture which used to be glorious in the Angkor period. In the tourist sector, the Japanese and SOC Governments discussed a plan to gather funds to establish flights between the two countries. In addition, the Japanese Government would strive to assist Cambodia in restoring its economy, specifically its communications network.

Chakkrapong Receives Russian Envoy

BK2202035292 Phnom Penh SPK in English 0223 GMT 22 Feb 92

[Text] Phnom Penh SPK February 21—Prince Norodom Chakkrapong, deputy prime minister of the State of Cambodia, received here Thursday Yuriy Myakotnykh, ambassador of the Federal Republic of Russia to the SNC [Supreme National Council].

Prince Chakkrapong and Mr. Yuriy shared the same view on the prospect of Cambodian issue.

The prince told his guest of the situation of the implementation of the Cambodia's peace agreement signed in Paris last August.

They both expressed hope that the presence of the big-five special representatives will be able to supervise the implementation of the agreement.

Hun Sen Talks With German Envoy

BK2402054892 Phnom Penh SPK in French 0403 GMT 24 Feb 92

[Text] Phnom Penh 24 Feb (SPK)—Mr. Hun Sen, chairman of the Council of Ministers of the State of Cambodia, recently received in Phnom Penh Mr. Wolfgang Lerke, head of the diplomatic mission of the Federal Republic of Germany to the Supreme National Council of Cambodia (SNC). Chairman Hun Sen expressed his firm support for the work of German national unification and welcomed the forthcoming visit of the head of the German diplomacy.

For his part, Mr. Wolfgang Lerke underlined that his government closely followed Cambodia's national reconstruction efforts. He presented his credentials to Prince Norodom Sihanouk, head of state and chairman of the SNC, on 14 February.

Ranariddh Meets German Envoy

BK2202120992 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 22 Feb 92

[Text] At 0700 on 20 February at his palace in Phnom Penh, Prince Norodom Ranariddh received the German ambassador to the Supreme National Council [SNC] of Cambodia to discuss development of the Cambodian political situation and a settlement of the Cambodian problem. The German ambassador told the prince that Germany would continue to provide aid through the SNC to Cambodia and also make a financial contribution of about six percent of the total funds needed by the UN Transitional Authority in Cambodia [UNTAC] for its operation in Cambodia.

In his reply, Prince Norodom Ranariddh told his excellency the German ambassador that UNTAC's delayed coming would hold up the peace process and settlement of the Cambodian problem. So UNTAC should come to Cambodia at the earliest date to put a definite end to the

Cambodian issue. And the prince thanked the German government for its active political and financial involvement in helping Cambodia recover peace.

Sar Kheng Meets PRC Envoy

BK2402093792 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 22 Feb 92

[Text] His Excellency [H.E.] Sar Kheng, Standing Committee member of the Central Committee and vice chairman of the Council of Ministers, received H.E. Fu Xuezhang, representative of the PRC Mission to the Supreme National Council of Cambodia, at the cabinet of the Cambodian People's Party Central Committee at 1500 [date not given]. On that occasion, H.E. Sar Kheng highly valued the role played by the PRC—which is one of the five powers that are permanent members of the UN Security Council—in the search for peace in Cambodia. He also talked about the time-honored traditional friendship between the peoples of the two countries.

H.E. Sar Kheng expressed the hope that all Cambodian factions in the dispute will strictly and correctly implement the peace accord signed in Paris on 23 October 1991. The faction of the State of Cambodia has always given priority to this question in a bid to end the protracted war of the past two decades, he said.

On that occasion, H.E. Fu Xuezhang expressed his country's readiness to continue efforts to promote the implementation of the Paris accord in order to put an early end to the civil war in Cambodia. This courtesy meeting ended in a very cordial atmosphere.

Malaysia's Badawi Ends Visit; Trip Reviewed

BK2202095892 Phnom Penh SPK in English 0509 GMT 22 Feb 92

[Text] Phnom Penh SPK February 22—Malaysian Foreign Minister Abdullah Badawi left for home Friday [21 February] after a three-day visit in which he made strides towards boosting trade and travel with Cambodia.

Badawi, accompanied by 16 businessmen from various industries, signed two agreements creating joint ventures in the aviation and banking sectors.

"These will facilitate the flow of visitors and encourage contact between Malaysians and Cambodians," he said at a press conference before his departure.

He also announced that he had agreed with his Cambodian counterpart Hor Namhong that Cambodians and Malaysians will no longer need visas to visit each others' country, in an effort to facilitate trade and investment.

The joint venture banking operation between Malaysian Public Bank and the National Bank of Cambodia, to be called CAMPU, will begin operations in March. It has an initial capital [word indistinct] of 10 million U.S. dollars, 90 percent of which is put up by Public Bank, the Malaysian Embassy said.

In aviation, his arrival inaugurated a twice-weekly direct flight from Kuala Lumpur in a joint venture between Pelengi Air and Phnom Penh Airway, both private charter companies.

The businessmen accompanying him come from the oil, food processing, telecommunications, shipping and manufacturing industries, the embassy said.

Malaysia's location just across the gulf of Thailand makes it ideal for trade with Cambodia, embassy officials said.

Badawi also met with top officials in the Phnom Penh government as well as Prince Norodom Sihanouk and members of the Supreme National Council (SNC) he heads, including Khmer Rouge Leader Khieu Samphan.

Badawi also delivered a grant of 50,000 dollars to the (?SNC), expressing his support for Prince Sihanouk and the country's efforts towards national reconciliation.

Khieu Samphan assured him that he supported Prince Sihanouk and the peace plan ending the civil war, Badawi said.

"I get the feeling leaders here are very much in control of the situation," Badwi said.

"I do share the view of Prince Norodom Sihanouk that UNTAC (United Nations Transitional Authority in Cambodia) must come even with a minimum of strength because it is important that it must establish its presence in Cambodia as soon as possible," he said.

Prince Sihanouk said Wednesday [19 February] that the United Nations could not come up with the money to finance what is planned to be the largest UN operation ever, he would accept a cutback in scale.

Even a UN presence half the size forecasted would be acceptable, the prince had said.

"This fact certainly would help bring UNTAC into place," Badawi said.

First Cambodian Refugees Return From Australia

BK2202085892 Phnom Penh SPK in English 0452 GMT 22 Feb 92

[Quotation marks as received]

[Text] Phnom Penh SPK February 22—Four boat people arrived here Thursday from Australia, the first time Cambodian refugees have volunteered to return home after making the dangerous sea voyage down under.

Resigned to repatriation one day and hopes for a better life in peacetime Cambodia prompted their desire to return, a wish quickly fulfilled by Canberra.

"I like Cambodia," said 20-year-old Lim Ieng Kuon, who left the southern port of Kompong Som by boat with her fisherman boyfriend two years ago.

He accompanied her home with their seven-month-old son born in Australia, and the couple, along with a teenage boy, were greeted by Australian Immigration Minister Gerry Hand and officials from the Cambodian Red Cross and United Nations High Commissioner for Refugees.

"On behalf of the Cambodian Government, we would like to express our happiness at your return said Cambodian Red Cross Director Mi Samedi told them. [sentence as received]

He explained how to regain their Cambodian citizenship and said they would be sent to their relatives homes.

"Later we hope many Cambodian people will come back and (Australia) will continue to help this process," Mi Samedi said.

The fisherman, 22-year-old So Sothea, said he had been drafted to fight in the civil war and fled to avoid service.

The couple had been living in an Australian refugee camp ever since, where their baby was born.

"I heard they would send me back to Cambodia anyway, and I didn't have any hope I could live in Australia," he said.

Their baby will have a Cambodian passport, they said.

Hand, on a four-day official visit to Cambodia, said the returnees contacted the Australian Government on their own about five weeks ago and asked to be sent home.

"It was their decision, I told them to go and have a think about it," he said, but they soon put their request in writing and negotiations began with the Phnom Penh government.

The four come from a camp at Port Headland on the west coast of Australia, which also houses other Asian refugees among its 400-odd population.

"All are still going through refugee processing," he said.

Australia is paying the cost of the boat people's return and will help with resttlement. So Sothea said he, his wife and son each received 50 dollars from the Australian Government and were told they would get 30 dollars a month for one year until they could get settled.

"Many Cambodian people would like to come back," he said. "My friends are waiting to see what happens to me. If they see that the Phnom Penh government won't punish me or put me in on trial then they will come back."

He said he and his family will stay with his mother in Kompong Som but they have no immediate plans for work.

KPNLF Urges SNC To Review Business Deals

BK2502073292 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 25 Feb 92

[Text] The Khmer People's National Liberation Front [KPNLF] yesterday proposed that the Supreme National Council [SNC] review business deals involving Cambodia's major national resources.

In a press communique the KPNLF says that SNC members from the KPNLF will submit a memorandum appealing to the SNC to manage national resources. This memorandum says concessions for oil exploration and timber exploitation have been granted without in-depth studies.

Unified Cambodian Red Cross Committee Established

BK2202092492 Phnom Penh SPK in English 0500 GMT 22 Feb 92

[Quotation marks as received]

[Text] Phnom Penh SPK February 22—In Cambodia, where Pol Polt's sister-in-law heads her own Red Cross organization, the four Red Cross societies run by the formerly warring factions are taking steps toward unity, AFP [Agence France-Press] reported.

Not long ago they weren't even on speaking terms, but on Wednesday [19 February] the Red Cross representative from the Khmer Rouge, FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia], the Phnom Penh government and the Khmer People's National Liberation Front (KPNLF) agreed to form a committee headed by Prince Norodom Sihanouk and start cooperation.

But they are a long way from unity, as well as the international recognition and money that comes with it.

"Each time I want to unite them, they decide not to unite," Prince Sihanouk said after the meeting. "This is a step towards reconciliation, but it will be achieved only after the general elections... not before April 1993", that is the date of United Nations-run elections drawn up under a peace plan ending the nearly 13-year civil war.

Under the greement, the four sides will cooperate in distributing food and medical supplies, especially 800 tonnes of rice recently donated by France.

Not even the Cambodian Red Cross run by the Phnom Penh government is internationally recongnized, which leads to problems in distributing such food supplies meant for the whole country to areas under control of formerly warring factions.

Jean-Jacques Fresard, the head of the International Committee of the Red Cross (ICRC) delegation in Cambodia, who helped bring the four together, said the committee would meet once a month and was an important step toward unification.

"At least they've decided now to work together and coordinate their efforts in the future," Fresard said.

The Cambodian Red Cross now is making the first moves to deliver the rice in areas controlled by the other factions.

It is taking 12 tonnes of rice to KPNLF areas and 40 tonnes to sectors controlled by FUNCINPEC, whose guerrillas are loyal to Prince Sihanouk.

All of this rice should arrive within three days, Fresard said.

"This is symbolic of a new spirit and a new mood," he said. "It's a small step in the right direction."

The KPNLF Red Cross also agreed to make some of its rice available to Phnom Penh-controlled areas affected by the dry season drought. Up to 100,000 people are affected, Fresard said. The Khmer Rouge's Red Cross was last heard from officially in 1979, when Ieng Thirith, Pol Pot's sister-in-law and wife of the notorious Khmer Rouge Leader Ieng Sary, declared that her group was the only Red Cross operating in Cambodia.

She did not attend Wednesday's meeting, however. The agreement was signed instead by Chan Youran, the Khmer Rouge's former ambassador to Beijing, who sits in on most Khmer Rouge business in Phnom Penh.

The son of Son Sann, Son Soubert, signed the agreement for the KPNLF.

KPNLF's Ieng Muli Views Current Situation

BK2402101992 (Clandestine) Voice of the Khmer in Cambodian 0430 GMT 24 Feb 92

[Station correspondent's interview with "Ieng Muli, general secretary of the Executive Committee of the Khmer People's National Liberation Front and member of the Cambodian Supreme National Council;" dated 15 February—recorded]

[Text] [Correspondent] I am from the Voice of the Khmer [VOK]. Greetings to Ieng Muli, general secretary of the Executive Committee of the Khmer People's National Liberation Front [KPNLF] and member of the Cambodian Supreme National Council [SNC].

I heard that you have just returned from a meeting in India. Would you please talk about your recent mission to India?

[Ieng Muli] Greetings Pol Ham, VOK representative, for taking time to interview me after I returned from my mission to India. My mission this time was within the framework of our SNC, which represents national sovereignty at international conferences where our delegation's presence is legitimate only if it is sent by the SNC. This is the important principle.

Our mission to India was to attend a meeting of the Food and Agriculture Organization, known as FAO. At this conference, I was the head of the delegation with two members from the State of Cambodia, namely Chhea Song and his colleague. Attending this FAO meeting were some 20 countries and a number of relevant international organizations dealing with agricultural development in the Asia-Pacific region, including representatives from the United States and France and agriculture ministers from many countries such as India, Sri Lanka, Bangladesh, Vietnam, and Thailand. This was the first time we took part in the discussion after missing it for a period of time. We took part in the meeting through the presence of our delegation in India from 9 to 14 February. Our country, which used to be known as a place where fighting was going on and where people were suffering, becoming refugees, and fleeing abroad, attended the meeting as a country which is beginning to have peace again and to start discussing national construction programs in the future and to work for the development of national agriculture. These are the objectives of our delegation's attendance at the FAO meeting for the Asia-Pacific region.

While in India, I also took the opportunity to especially meet Eduardo Faleiro, India's state minister for foreign affairs, who visited our country last December and met me. So I took the opportunity of my presence in New Delhi to pay him a courtesy call and also to exchange views on the international situation and the implementation of the Paris agreement. I also made use of the little time I had to meet with Senator Raj Mohan Gandhi, a grandson of the reknowned Indian leader Mahatma Gandhi, who cordially received us as we have been close friends for many years. I noted that our country's presence at this international conference drew the attention of those attending the meeting who have plans to assist us in rebuilding our country.

That is in brief my mission and visit to India.

[Correspondent] Thank you general secretary. I would like to turn to the situation in Cambodia where you have stayed for many months with colleagues following the signing of the agreement on 23 October 1991 in Paris. Can you talk about the general situation in Cambodia from your point of view?

[Ieng Muli] Thank you for this question. First of all I would like to say that our entire Cambodian people were very happy after realizing that the Paris conference was successful and that all parties, including 18 other countries and the United Nations, signed the agreement. This was an event worthy of great happiness for our nation since 23 October 1991.

However, our compatriots are aware that some incidents have become obstacles to the implementation of the agreement. We have witnessed some of these events in Phnom Penh. There had been demonstrations, attacks, and brutal repression. These are obstacles hindering the implementation of the agreement. Despite all this, I would like to express satisfaction with the results of the implementation, although we are not yet 100 percent satisfied and although the political situation is not yet 100 percent neutral.

Thanks to the permanent presence of His Royal Highness [HRH] Prince Norodom Sihanouk, in Phnom Penh and Cambodia, the presence of our side in Phnom Penh, and the cooperation of other SNC members, we have achieved some successes; most importantly, all parties acknowledged that there should be multiparty democracy in Cambodia and freedom of expression. I would like to again point out that the latter is a very important point for our country because if there is no freedom of expression, the elections would not be free. Our people would not be able to know the political platform of other parties.

All of us, Cambodians, have made efforts and a big step; however, another force is still causing us troubles and hindering the smooth implementation of the agreement. What is the cause of all this? This is because at the moment the presence of the United Nations is still small in our country and the current mandate of the UN staff already here is still limited and not as wideranging as stipulated in the agreement. What our nation needs in this interim period is for the United Nations, or UNTAC [UN Transitional Authority in Cambodia] to come as soon as possible and with full authority as stated in the 23 October 1991 Paris peace agreement.

We need the UN authority and the UN power; we do not need just the UN presence. Why do we need the UN authority? This is in order to have a neutral political atmosphere to enable our people to enjoy the right and freedom to express their opinions. We need the UN authority to assist us to, first, check whether foreign occupying troops in our country are already out or not, and second, to supervise the cease-fire, disarm all parties' troops, and gather troops for cantonment in accordance with the agreement which says that 70 percent of all troops should be demobilized. This is what we are waiting for.

I recently received information that Butros Butros Ghali, UN Secretary General, has already appointed a UN representative, His Excellency [H.E.] Akashi, to represent him and head UNTAC in our country. Akashi visited our country once already. I have also received news that around the middle of next month, he will be coming again to work although the entire UNTAC force cannot yet be here. This is good news which we have been waiting for.

I have also received news that after the visit to our country, H.E. Akashi wrote a report to the UN Secretary General proposing that the UN force in our country should be 15,900-strong along with civilian personnel. All these are good signs ensuring that we will have peace in Cambodia.

However, I have also noted that over the past few days, past few months, [as heard] there is insecurity in Phnom Penh and in some provinces because armed groups have made attempts to assassinate politicians; clashes took place between armed Cambodian sides such as in Kompong Thom where the agreement was violated. Now there are reports that this also takes place in Siem Reap as well. These are bad factors which could hinder the implementation of the Paris agreement. However, I hope that with the UN presence in Cambodia and with the goodwill of all Cambodian parties, and because our people and nation aspire for peace, we would find a way to end these clashes.

At the moment I am most concerned about banditry in forested areas, remote villages, and in some provinces. This has caused our people to have uneasy nights because of bad activities by those with weapons. This is the problem we are facing while UN troops have not yet arrived. I believe that these problems would be gradually solved once the UN is fully present in accordance with the number H.E. Akashi has proposed to the UN Secretary General. I hope that the United Nations in Cambodia would cooperate with the SNC—which includes major Cambodian parties—and work to build peace in Cambodia. Then our people would have peace and freedom to express their opinions in accordance with the Paris agreement.

[Correspondent] Thank you general secretary. The KPNLF will become a political party called Buddhist Liberal Democratic Party [BLDP] with H.E. Son Sann as chairman.

Can the general secretary talk about the principles and platform of this political party in contesting the forthcoming elections, and how Cambodia would be organized in the future in the event the BLDP won the elections?

[Ieng Muli] I would like to thank you for this question which is an opportunity for me to outline to our compatriots the principles and platform of our party.

Normally, the name and principles of the party will be decided by a congress of party members which we will organize when we can. As for the name, as you just said the BLDP, this is the essence which we will submit to our congress. When we talk about democracy, liberalism, Buddhism, it means that our principles are to respect the people's freedom and justice and defend and preserve our national character. And within this framework, we also have a program to build solidarity among Cambodians in order to build the country.

Our most important principle when we are in control of the destiny of the nation and country is to value human beings and not consider them as tools or animals but rather as fine beings in society and the world because human beings can think and judge; they are intelligent and dignified. With such a principle, human beings cannot look down on others and cannot oppress others. This is a very important principle which we should carry out in the future.

Another principle is democracy in which we listen to the views of the people and consider the latter as supreme. We carry out policies to serve the people's interests. The state authority which is born from the people should respect human rights, the people's freedom, and the freedom of society members. I would like to say that in democracy, human beings' value, rights, and freedom are acknowledged. The state authority is not set up by an organization or party, or any foreign aggressors; it is an authority born from the people's vote, the majority of votes. However, the ruling majority should also listen to the minority and acknowledge the latter's right to protest, oppose, and set up parties, and so on. These are in brief what we are going to submit to the congress for adoption.

Along with this, we have measures to preserve our national character. In this sense, we use Buddhism as the main pillar in running state affairs. This does not mean that we oppose Chritianity, Islam, or any other religion. However, Buddhism is a principle which the state authority should take into account when conducting national policies.

These are, in brief, our party's principles. I shall not elaborate on these in order to let our compatriots whom we are going to convene at a congress also express their views.

On the economy, compatriots already know that our front has a history of love for freedom and liberalism. Therefore, our economy will also be a free market economy which allows the private sector to have freedom and rights and to have initiatives in doing business. The state will only provide guidelines and laws for the private sector to abide by. The state will not interfere in the private sector's business. This is an important principle which we can attribute to free market economy for society. The state has a policy to assist the private sector to be successful in business and to eliminate poverty and provide mutual assistance in society for the latter to enjoy peace and prosperity.

On this issue, I would like to talk about the problems we have noted. The first problem is agriculture. At present, despite working all year with sufficient water, fertilizers, and seeds, our peasants still do not have enough to eat after the harvest. Why? For example, in some areas, the land allocated to peasants is not large enough for sufficient production; or the land allocated is in an area devoid of water. Our state authority should think about measures to solve these problems. We have land, paddy, rice fields, water, and fertilizer. If the area of land is not large enough, we should strive to either find additional land for our peasants to produce a small surplus a year, or look for alternative jobs for people so that they could produce a surplus after a year's work. In sum, producing a surplus after a year's work is our program which we have to carry out.

Along with this, there is also an administrative program. If civil servants are not paid enough, this could lead to corruption or compel workers to look for other jobs—second or third jobs. Therefore, there is less time left for working for the state. So the state authority is not functioning fully and efficiently. Thus, in the event we win the elections, the first thing in our program is to provide enough salary for civil servants to work, serve, and develop the nation. There is no need for wives to work; there is no need for husbands to look for a second job. If we say we are going to increase the salary and if we do not have an economic policy which enables civil servants to have a large purchasing power [two preceding words in French], prices of goods would rise. Goods prices rise and salary is increased. This is not a solution. Currently, we are looking for ways—in the event we win the elections—to keep goods prices from going up excessively when we increase the salary for our civil servants; otherwise the pay increase would be meaningless. This is what we in the KPNLF—which will become the BLDP after adoption by the congress—will submit to solve our people's living.

Concerning civil servants, I would like to take this opportunity to inform and specify to our compatriots that we will have an extensive need for personnel in the future to build and develop our nation. Some worry that if our front won the elections, it would dismiss those who are now working and replace them with new people or bring people from abroad. We are not going to get new people from the border and dismiss those now working. We need everyone. We need those inside, from abroad, and from the border.

I would like to specify that those compatriots from abroad, such as in France and the United States, have problems. What problem? These people have lived many years abroad, 10 or 20 years. Some have been able to buy houses in cash while others have to mortgage their houses for 20 or 30 years. So, if we want these people to come and work in Cambodia, we have to solve all these problems for them. Apart from this, some people have to pay large school fees for their children. Others have to leave their well-paid jobs. If we need these people to help us, we have to find thousands of dollars for them, from 3,000 to 5,000 dollars a month. In my view, we probably cannot get these compatriots to work for us. However, if they have the goodwill to help the nation without asking for too high a salary, we might get them. Therefore, I think we need compatriots who are working inside the country to continue in their jobs. Our program is to provide further training and knowledge for people to enable them to serve the nation in accordance with their roles.

These are our principles in brief. I would like to specify this in particular to civil servants in Phnom Penh or the provinces nationwide, who are concerned that our party will in the future bring people from abroad to occupy their places. We will further consider and discuss all these matters. As I said just now, for compatriots abroad, we might have difficulties bringing them to work for us because we cannot provide them with a large salary. Thus, we can only appeal to international organizations to assist these compatriots who could come two, three, five, or six months at most to work for us; they cannot be with us all the time like compatriots who are already working inside the country.

In brief, these are the programs about which I took the opportunity to inform compatriots during the meeting with a VOK representative today.

[Correspondent] On behalf of VOK compatriot listeners, I would like to thank Ieng Muli, general secretary of the KPNLF and SNC member, for talking on this occasion. Thank you.

Problems of Daily Life, Peace Accord Viewed

BK2202014592 Bangkok BANGKOK POST in English 22 Feb 92 p 4

[By Jacques Bekaert]

[Text] Phnom Penh—One soldier is sound asleep, another is squatting on the sidewalk, reading a book. The third man is singing a soft tune a few feet away. They are members of the honour guard of the Royal Palace where Prince Sihanouk has been residing since mid-November last year. They smile, wave to the cycling visitor and appear reluctant to harm even a fly.

Few Cambodians would want to do anything to the prince other than greet him, touch him, or beg him not to go away in April. But the allure of the police guard is in many ways symbolic of the disposition of the country itself. The war is probably over, as more and more soldiers from the Cambodian People's Armed Forces (CPAF) and the two so-called non-communist factions are not waiting for the UNTAC [United Nations Transational Authority on Cambodia] to demobilise themselves.

In one of the districts of Kompong Speu where the Khmer Rouge have always been very active, one of the party officials complained that soldiers have sold the tiles and planks of their barracks before going home. "If the Khmer Rouge decide to attack tomorrow I don't know what we could do. How could I contact the soldiers?" the ofifcial said.

Most Cambodians only think about survival especially economic survival. "Les problems de la vie", a senior Pracheachon (People's) Party officials said. Les problemes de la vie is the code word for economic worries, or day-to-day survival. Problems that require full atttention, much energy.

For anyone in a position to deliver something people want—from exit visas to construction permits—there is plenty of money to be made. If you have properties to sell, either yours or that of the state, life can be a lot easier. Buyers are plenty. They come from Singapore, Bangkok, Taipei or Trat with suitcases full of gold or dollars. "You can even buy one day and sell for a nice profit the following day", explained a Cambodian who left the rarefied world of the offical Press for a more challenging life that involves learning how to use computers.

Fancy villas are fast changing hands while prices go up. "A year ago I could buy a small house in a suburb of Phnom Penh for 10,000 dollars", a friend explained. "Today there is nothing decent available for less than 40,000 dollars."

In a sense, the rising cost of living in the capital is normal. Prices until a couple of years ago reflected war and uncertainty. Customers have arrived. And while official salaries are still out of touch with reality, there is now an abundance of funds circulating in Phnom Pehn and Siem Reap. This has given rise to corruption.

Corruption has given—and still gives—the ruling party a bad name. A terrible image. It is a complex issue though. "Some officials sell state property without proper clearance. The sum written on the contract does not reflect the actual amount paid. What goes under the table often ends up in the pockets of just a few. That is wrong", said a party official, wondering whom to vote for in the coming elections. "But the state has no money so it has to sell something. That would not be wrong if everybody receives some benefit."

In most cases lower ranking officials, state employees, policemen or soldiers have to find their own way to supplement their subsistence salaries. "And that is not really corruption but survival", said a senior Russian diplomat.

The State of Cambodia certainly suffers from a crucial lack of funds. In 1989 more than 80 per cent of the state budget was financed by the Soviet Union and the Eastern bloc. Taxes are still non-existent. So the State has to sell. That, most Cambodians do understand. "What I object to is the way these sales take place. There is so much mystery surrounding the conditions of sales, and a lot of what we possessed has been sold for too little money", said a mid-level cadre. "Many of the buyers themselves are beginning to realise that their contract may not be worth much in the future, so they try to make as much money as possible".

Phnom Penh is moving at high speed. And many believe it will crash, sooner or later. "Everytime I meet with the leaders of the State of Cambodia and the Pracheachon Party I tell them that corruption is very bad for our country", Prince Sihanouk told me recently. But do they listen? "They smile very politely", answered the prince.

Phnom Penh of course is only part of the story. Life in the provinces has not changed much. And the Khmer Rouge keep their molelike progression. "There are no big battles. The Khmer Rouge are not interested in big battles. But they never stop their work. Their political campaign goes on and on and on. They are persistent, they have a plan", said a seasoned diplomat with a lot of Asian experience.

"They work, they move around. They bring people and equipment and we sleep", confessed a provincial official. Ceasefire violations are frequent, although of marginal strategic importance. "Both sides violate the ceasefire", said a diplomat who recently travelled in several provinces.

"I frankly do not know who is guilty of initiating the fighting", explained Prince Sihanouk, who went to Kompong Thom after the province saw some medium-scale battle that sent some 10,000 people fleeing along Highway 6 in early January. "In Kompong Thom, it looks like the CPF started a little local war, but in other instances it was the Khmer Rouge who tried to regain some lost ground", another diplomat told us.

"What do the Khmer Rouge really want?" wondered Prince Sihanouk during a late night conversation last Tuesday at the Royal Palace. "They claim they want the UN to arrive as soon as possible, they claim they want peace, they claim they want to implement the Paris agreement but in reality they create countless obstacles."

The Khmer Rouge insist on more reassurances regarding the use of a piece of land next to the Royal Palace where they should set up camp. It is a provisional arrangement and the party of Democratic Kampuchea wants a written confirmation from Mr Hun Sen that they could stay there until the elections. They do not attend meetings of the Joint Military commission. They place so much restrictions on the UNAMIC [United Natoins Advance Mission in Cambodia] personnel that real supervision of Khmer Rouge zones is impossible. Why? "The Khmer Rouge are well aware they cannot win elections. So maybe they look for more war", said Sihanouk.

The prince is equally worried by constant accusations made by the Khmer Rouge that Vietnamese troops still operate in the country. The Khmer Rouge leadership now argues that the question of Vietnamese troops must be settled before any further implementation of the Paris agreement. "I asked Mr Khieu Samphan to tell me where these troops are, so that I can inform the UN, but he always replies that they hide deep in the forset. He can never be more precise than that, never offers serious evidence", complained Sihanouk.

"The Vietnamese issue is dying", said a Phnom Penh intellectual. "We are a lot more worried about the fragility of peace, about the late arrival of UNTAC, about the instability of the Cambodian society than about the Vietnamese." But the manager of a state enterprise suggested that Prince Sihanouk should be made aware that thousands of Vietnamese are still entering the country without a visa.

There are at least two Cambodias for the moment. On the surface there is the Cambodia of peace and business. It looks quiet enough. The streets of the capitals are full of private cars. New hotels are mushrooming in Phnom Penh, and more tourists are visiting Angkor. But there is another Cambodia. The land of Pol Pot, Ieng Sary and Nuon Chea. The land of Chea Sim, Sar Kheng and Say Chhum. This is the Cambodia of intrigue, fear, whispers, and many unsolved mysteries.

Soldiers Say Mine Laying Ordered in Kompong Thom

BK2302013092 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 22 Feb 92

[Text] Reports from Cambodian soldiers say that the Vietnamese aggressors in Kompong Thom Province are carrying out plans to destroy the vehicles of U.S. journalists and the UN Advance Mission in Cambodia [UNAMIC].

According to reliable information from Cambodian soldiers in Kompong Thom, Vietnamese commanders in charge of the Phnom Penh side in Kompong Thom on 20 February 1992 instructed Vietnamese aggressor forces operating in Stoung Distict to make preparations to lay anti-tank and anti-vehicle mines along roads traveled by U.S. journalists and UNAMIC to Popork Commune. The instructions from the Vietnamese commanders in Kompong Thom clearly say that vehicles of U.S. reporters and UNAMIC should be destroyed and that the troops should make themselves seen around the area to show that the perpetrators wear the uniforms of the National Army of Democratic Kampuchea [NADK]. The same source also clearly specify that this order is most confidential and one which has to be carried out at many other places to use as a pretext to expose Democratic Kampuchea to the world.

This is genuine information obtained directly from Cambodian soldiers of the Phnom Penh side in Kompong Thom Province. This is a trick Vietnam has continually used throughout its history, particularly since the implementation of the 1954 Geneva Agreement. Pham Hung was then in charge of implementing the 1954 Geneva Agreement for the Vietnamese side. This man set up a plan to hinder and destroy the control commission of the time and used pretext to level accusations against others and confuse the international community in accordance with Vietnam's plan.

Lately, over the past three months, the Vietnamese aggressors have carried out all kinds of activities. These include military attacks in provinces and districts, destructive activities in Phnom Penh, and maneuvers to accuse others and to wear the uniforms of Democratic Kampuchea and the Para [term referring to the military uniforms worn by noncommunist Cambodian resistance troops of the Khmer People's National Liberation Front and the National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] to carry out all kinds of activities, including robbing people while wearing the uniforms of the NADK or the Para uniform.

However, the Cambodian people themselves are well aware of all these tricks and maneuvers by the Vietnamese aggressors; this is very clear. Therefore, to find out the truth abouth these Vietnamese methods, the proper and most sincere witnesses are the local people and not those rounded up to recite what the Vietnamese aggressors have ordered.

Laos

PASASON Views Development of Human Rights

BK2402152992 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 22 Feb 92

[22 February PASASON article: "The Problem of Human Rights"]

[Text] Respected listeners, human rights are considered a universal, historical ideal. They emerged in the process of the furious class struggle. Their contents have been added to in each period. In each country, regardless of the differences in political systems, the problem of human rights has been taken into account and it has been settled at different levels. Nevertheless, human rights are an earnest aspiration of the people of all countries in the world. They are also considered a common goal that governments of all countries in the world have made efforts to achieve. There is no government of any country in the world that does not want its people to enjoy good living conditions, to have an opportunity to study, to own houses to live in, to have places where they can receive medical treatment, and so forth.

With the undaunted struggle of the citizens and with the persistent efforts of the government of each country—though human rights have not yet been completely implemented in any country—they have been successfully implemented at different levels in many countries. This is because the factor governing the complete implementation of human rights is not simply the wish, but the level of development and the geographical, historical, and cultural conditions of each country. For example, it is impossible to compare the implementation of equal rights for women in Europe with those for devout women in Asia. Likewise, it is also impossible to apply the standard of the implementation of the human rights by the people in Europe, the United States, or any country on other continents to people of another country. Despite this, it is worth taking into consideration this point: how a certain big country on the American continent which has maintained all favorable conditions for the implementation of human rights has failed to completely implement them. Despite its failure, that country has even claimed to be an example of the implementation of human rights and has repeatedly criticized other countries, including Laos, for not respecting human rights—despite the fact that our Lao people and government have all along attentively and appropriately taken this issue into consideration. Why, then, has that certain country raised this issue?

As we all know, in the past when our country fell into colonization by foreign countries, our multiethnic Lao people were short of everything. In addition to circumstances of great need, we were without rights or freedom that we could enjoy. Worse still, we were compelled to serve as slaves of foreign countries. In view of that situation, the Lao People's Revolutionary Party rallied the patriotic Lao people and led them to rise up and carry out the struggle to drive the foreigners out in order to obtain rights and freedom, including various human rights, for the Lao people. In fact, since the liberation of the country, the Lao Government has done everything possible to bring about prosperity and happiness for the people. It has initially brought about concrete benefits for the people in the political, economic, social, and cultural fields. It has proceeded to establish the Constitution and various laws guaranteeing the equal rights and freedoms of the people. As can be seen, tranquillity has now been maintained in Lao society as never before. The Lao people are now enjoying their full rights and the freedom to earn their living, build their own houses, choose places to live, travel from place to place, and carry out trading activities. Their rice farming, crop cultivation, and other private businesses have become ever more prosperous. They have maintained full rights of ownership over their houses and other property. Their living conditions have also improved with each passing day.

Certainly, not all the rights and freedoms or various gains, as retained or achieved by the Lao people at present, are complete. But they will certainly become complete in parallel with the development of production of the people and the prosperity of the country. It is certain that the equal rights or human rights enjoyed by the Lao people are human rights of the Lao type—rights that are compatible with the level of development of the Lao people's social life and that conform to the traditional practices of the Lao people. No rights enjoyed by the Lao people have run counter to international traditions and laws. But the Lao people cannot establish laws such as those used in developed countries for use in their country. Neither can they implement human rights in accordance with the customs of Western countries.

Generally speaking, human rights are something that mankind desires. They are also a common goal that governments of various countries have tried to achieve. But, achievement of that goal depends on many conditions that the government of each country must settle. Those countries that have maintained more favorable conditions for the implementation of humnan rights should help and encourage other countries with poorer conditions, in a creative spirit, to implement human rights. But, in so doing, they must not take advantage in order to interfere in internal affairs or to gain any other benefit from those countries.

Philippines

U.S. Pledge Not To Meddle in Polls Appraised

HK2502080892 Manila THE CHRONICLE in English 24 Feb 92 p 4

[Editorial: "Not Even U.S. Intervention Will Help Us"]

[Text] For those who still believe that the United States will meddle in the May election, the words of the American ambassador, Frank Wisner, may help put their perceptions in the proper context.

In response to a query at a forum last week at the University of the Philippines, Mr Wisner said: We don't have a say in who will be the next President you have.... But what we do care about is that you have an election that is free, fair and that the outcome be decisive and not be contested, and that you can get on with the job of governance."

At no time in the troubled history of Philippines-United States relations has an American ambassador's statements been more consistent with reality than now about what it can and cannot do to influence the outcome of Filipino elections. With the now irreversible momentum of an early withdrawal of U.S. forces and facilities from Subic naval base, with the drastic scaling down of U.S. military deployment worldwide, with the U.S. recession and huge budget deficits, and with the end of the cold war, it absolutely makes no sense for the U.S. to be creating more problems for itself by intervening in the election.

The key words in Mr. Wisner's remarks are "decisive" and "uncontested" poll outcome, and fair and free election. They indicate that the U.S. official line is that Washington is concerned about the integrity and credibility of the democratic process. If the process were not tampered with, then, whoever gets elected with a majority may be seen to have received the mandate of the people. By all accounts, the U.S. does not see any point in reversing the Senate rejection of the ill-fated bases treaty and accepts it as representing the sentiment of the nation. To be sure, there are considerable American economic interests in this country, although relative to the interests of other countries they are becoming less dominant in the national economy. An election that is seen to be fair and decisive is certain to benefit foreign investment and interests in this country, including those of the U.S., but such interests are not sufficient reason for intervention.

It would seem to us that what concerns the United States more is the process rather than personalities, and this emphasis on issues is not easily appreciated by many Filipinos who are oriented to personalistic, rather than issue politics.

Mr Wisner's views are not even original. His concerns are shared by many thoughtful Filipinos, and echo the sage advice of Singapore's former prime minister, Lee Kuan Yew, to President Aquino during the last Asean summit. Mr Lee told Mrs Aquino that the key to stability, upon which to build economic development, is a fair election. A legitimate political process can avert crisis and violent challenges against a new government.

What then if the elections were not fair and free and if the outcome were not decisive? Will that be an excuse for the United States to intervene, and on whose behalf? Well, if the Filipinos cannot sort out their own problems, strategic American interests are most likely to be benefitted by intervention. Intervention is not going to make this nation more governable, nor could it accord legitimacy to the political process. This time, it is our responsibility to see to it that, given the opportunity to change leadership, we do not make a mess of it. If we cannot manage our own affairs as free men and women, then not even U.S. intervention can help us. This time, it is wise for the United States to have decided to leave us alone.

Trade Secretary Backs ASEAN Free Trade Zone

HK2502055092 Manila PHILIPPINES NEWSDAY in English 24 Feb 92 p 8

[Text] Consumers will enjoy a wider choice, improved quality and reasonable prices of products under the Association of Southeast Asian Nations scheme for a free trade area, acting Trade and Industry Secretary Lilia R. Bautista said yesterday.

Bautista, who succeeded Peter D. Garrucho Jr., as Department of Trade and Industry chief, said the free trade scheme offers Philippine manufacturers an expanded market of more than 300 million ASEAN nationals.

In expanding their operations, manufacturers will have to meet demands by consumers for products that are competitive in terms of quality and prices, she said.

The ASEAN free trade scheme, she said, gives consumers a big break because free market forces will compel local manufacturers to vie for bigger market shares by improving their costs, efficiency and selling prices.

Bautista also allayed fears by Philippine industries that they will be hurt by the lowering of import tariffs on products manufactured by competitors based in other ASEAN countries.

Reduction of tariffs are provided under the agreement for a common effective preferential tariff (CEPT), the main mechanism to attain an ASEAN free trade area. Over a 15-year period, tariff duties on manufactured goods and processed agricultural products are to be reduced to the range of zero to 5 percent.

Bautista said each ASEAN member-country, however, is allowed to apply measures to cushion adverse effects on domestic industries.

Public hearing and consultations will be conducted by the government prior to making tariff changes affecting concerned industries, she said.

The Tariff Commission will also conduct consultations on the changes affecting the Tariff and Customs Code.

In submitting an initial list of products subject to accelerated reduction of duties, the Philippines already has products that are already at the range of zero to 5 percent or products that are already competitive.

To give domestic industries time to adjust and prepare for increased competition, the CEPT agreement also provides that a country can cut its tariffs to the 0-5 percent range within 15 years.

The CEPT agreement also provides for safeguard measures allowing member countries to suspend preferences provisionally where sectors producing like or directly competitive products are being adversely affected unduly.

Bautista said the Philippines also has the option to cut its tariffs for imports from ASEAN beginning in 1995 after tariffs are reduced to levels provided under Executive Order No. 470.

ASEAN Entry for SRV, Laos, Cambodia Urged

HK2502081292 Manila MANILA BULLETIN in English 24 Feb 92 p 19

[By Rod L. Villa]

[Text] Rep. Jose de Venecia Jr., acting chairman of the House committee on foreign affairs, yesterday asked the government to sponsor the entry in the Association of Southeast Asian Nations (ASEAN) of Vietnam, Laos, and Cambodia in the light of the arrival on Wednesday, Feb. 26, of Vietnamese Premier Vo Van Kiet.

He said Vietnam's ASEAN entry would "push conversion to market economies" of the three Indo-Chinese states and "eventually create an enlarged free trade area in Southeast Asia" with addition of 75 million Vietnamese, Cambodians, and Laotians.

De Venecia, who was Philippine minister in Vietnam in 1966-69, said he would ask President Aquino and Foreign Secretary Raul Manglapus to push for an "early Philippine-Vietnam understanding" on how to deal with the threatening Spratly islands dispute in the South China Sea.

De Venecia had earlier raised a proposal to defuse the tension over the Spratlys by a North Sea-type partition of the South China Sea among the six claimant nations or by declaring the whole area into a condominium of undivided interests, fully demilitarized with the removal of armed garrisons, or as an interim step joint exploration and development of the area under rotating chairmanship or stewardship.

De Venecia and Rep. Jose Yap, House defense committee chairman, traveled to Hanoi in 1989 to meet with then Vietnamese Deputy Premier and Foreign Minister Nguyen Co Thach who was receptive to the plan.

De Venecia said Vietnam should now be invited to sign the Bali Treaty of 1976, become quickly an "observer" in ASEAN, per Vietnam's request during the recent Singapore ASEAN summit, leading to full membership.

He said parallel steps should be taken for Laos and a reunited Cambodia under former prince Norodom Sihanouk and expressed the hope that the programmed United Nations peace-keeping military and civilian units would contribute to normalization in Cambodia.

De Venecia submitted a plan which proposes "joint Philippine-Vietnamese complementation" in the rapid conversion to economic and commercial uses of the Philippines Subic Naval Base and Vietnam's Russian-occupied Cam Ranh air and naval base.

Aquino Denies 'Total War' With Communist Rebels

HK2402135692 Quezon City DWDD Defense Department Radio in Tagalog 0700 GMT 24 Feb 92

[Italicized passage in English]

[Text] President Corazon Aquino announced that a total war between the military and communist rebels does not exist.

In a pre-departure news conference in Cebu City, where she endorsed the candidacy of former Defense Secretary Fidel Ramos and other candidates, the president clarified that the government's counterinsurgency campaign policy is geared more on *total programming.* She said that this program does not only solve the insurgency problem by military means, it also solves the communist rebels' livelihood problems.

The president explained the government's anti-insurgency program to pacify fears that the campaign against the rebels may lead to the violation of human rights of residents situated around rebel camps.

Communist Insurgents Continue Offensive

HK2502080692 Quezon City MALAYA in English 24 Feb 92 p 7

[Text] The New People's Army [NPA] offensive against the government will drag on until May, military and police insurgency analysts said yesterday.

Updated insurgency assessments from Camp Aguinaldo revealed that the NPA offensives signal an elaborate communist rebels' plan to intensify its protracted war against the government.

Armed Forces Chief of Staff Gen. Lisandro Abadia said the two major flashpoints in the current guerrilla war are the Cordillera Regions in Northern Luzon and Southeastern Mindanao.

It was in Surigao del Sur that 47 army troopers, including three officers were killed in a well laid ambush by young NPA cadres last Feb. 16.

Abadia said he based this assessment on intelligence reports that the NPAs strongly resented the military's implementation of "Lambat Bitag [Net Trap] II" operations in January this year.

Lambat Bitag is a comprehensive military approach against insurgency in the countryside, the rebels' main source of sustenance.

"The communist rebels were really hurt by the continued operation of Lambat Bitag", Abadia said.

PNP [Philippine National Police] Director General Cesar P. Nazareno said that aside from the two regions, the PNP's theater of operation against the rebels include Mindoro, Samar, Leyte provinces and the Bondoc Peninsula.

A dozen encounters had broken out in Cagayan Valley, Kalinga-Apayao, Quezon, Davao Norte, Leyte, Masbate, Camarines Sur, Batanagas, Cotabato City, Negros Occ. [Occidental], Palawan and Butuan City, since Monday, Feb. 17.

At least 10 communist rebels were reported killed in these encounters while six government troopers were reported killed, Camp Crame and Aguinaldo reports said.

After the Surigao incident, the second major rebel encounter during the week occurred in San Isidro, a remote barangay of Sibagat town in Butuan City where five military men were reported killed and two others were wounded in another NPA attack at a paramilitary outpost.

On Thursday, Abadia announced that the AFP [Armed Forces of the Philippines] would be deploying more men and armaments, including the crack Scout Rangers and rocket-firing MG520 attack helicopters, to the Surigao regions.

NPA To Investigate Alleged Massacre of Soldiers

HK2502082092 Manila THE CHRONICLE in English 25 Feb 92 pp 1, 6

[Text] Communist rebels said yesterday they would investigate military allegations that guerrillas had massacred survivors of an ambush in Surigao del Sur in which at least 41 government troops died.

The National Democratic Front also called on the government to respond to rebel offers to draft a mutual code of conduct for treatment of civilians and combatants in the 23-year insurgency.

On Feb. 15, New People's Army [NPA] rebels ambushed a patrol in Surigao del Sur in the biggest battlefield defeat for the government this year. Survivors said rebels killed survivors above the rank of sergeant after the three-hour gun battle.

"No evidence has been presented by the military to the public to substantiate charges of NPA savagery against its personnel," the NDF said in a statement.

"Certainly, some of those killed could very well show signs of mutilation, but these could have been caused by high-powered weapons used by the NPA in the ambush."

The military said rebels used recoilless rifles during the attack. The rebel statement said the fact that at least 17 soldiers survived "bespeaks of a restraint that is not in character with a kill-crazy outfit depicted by the government."

As this developed, the Philippine National Police [PNP] is "quietly" investigating two of its personnel tagged as members of a gunrunning syndicate of soldiers and policemen who could have supplied the high-powered guns used by communist guerrillas in the Surigao ambush.

Documents obtained from police and military sources confirmed the existence of the gang of police and military men which reportedly had been selling firearms to communist guerrillas, particularly in northern Mindanao.

The firearms that found their way to the rebels either came from the various military and police armories or from renegade soldiers and policemen.

In a memorandum addressed to the PNP chief, Director General Cesar Nazareno, Police Superintendent Lucas Managuelod, the PNP Criminal Investigation Service chief for Metro Manila, tagged two policemen, identified only as Sgt. Cucayne and Pat. Patao, who could have also been involved in the illegal arms sale.

The military earlier arrested two soldiers, Master Sgt. Rolando Sumpres and Sgt. Edwin Nacarro, a former military supply officer now assigned to the 29th Infantry Batallion in Surigao del Sur.

They were accused of having taken part in a series of assorted-arms sale to the communist movement amounting to as much as P8 million [Philippine pesos].

Managuelod said the two policemen were implicated by Victor Pasco, assigned at the northern Mindanao Regional Command, who after his arrest revealed during a military tactical interrogation that the series of syndicated operations had been going on since the late 1980s.

Thailand

Finance Minister Cancels U.S. Trip

BK2202015992 Bangkok BANGKOK POST in English 22 Feb 92 p 13

[Text] Finance Minister Dr. Suthi Singsane will cancel his trip to the United States next week so he can present the Securities Exchange Commission Bill to the National Legislative Assembly (NLA) next Friday [28 February].

Dr. Suthi said he was due to be in the United States from February 25-26 to sign a loan agreement and to float Yankee bonds. The medium-term loan and the Yankee bonds will raise a total of US$1,200 million for the Thai Government.

It will be used to refinance the existing high-cost external loans.

Because the Securities Exchange Commission Bill has to be presented to the NLA either on February 28 or 28 [dates as published], the U.S. trip will be skipped.

Finance Permanent Secretary Dr. Panas Simasathien and Fiscal Policy Office Director General Nibhat Phukkanasut will sign the deals on Dr. Suthi's behalf.

Meanwhile, a well-informed source said the amount of money to be raised in the U.S. might be less than the original plan of US$1,200 million because the average interest cost would be higher than the expected 8.1 percent per annum.

Commerce Minister on ASEAN Free Trade Area

BK2502023592 Bangkok BANGKOK POST in English 25 Feb 92 p 26

[Text] Commerce Minister Amaret Sila-on is confident the next government will continue the internal processes for the implementation of an ASEAN Free-Trade Area (AFTA) because Thailand is likely to benefit most from the scheme.

Mr. Amaret made the comment yesterday during his keynote speech to Federation of Thai Industries (FTI) members, entitled "AFTA: Its Problems and Opportunities for Thai Industry".

He aimed to play down industrialists' concerns that the internal processes for the implementation of an AFTA may be blocked once the Anan administration steps down next month.

Most Thai industrialists fully support an ASEAN Free-Trade Area, but some fear that a few industries which lack a comparative advantage will try to lobby politicians to block the scheme's implementation.

The "fast track" cutting of import tariffs on 15 sectors under the Common Effective Preferential Tariff (CEPT) is a mechanism of the AFTA.

At the ASEAN Summit meeting in Singapore last month, Prime Minister Anan Panyarachun announced Thailand would reduce import tariffs on ASEAN manufactured goods to 30 percent by January 1, 1993.

Thailand also would speed up the reduction of import tariffs on 15 sectors under the CEPT scheme to 20 percent within two years, instead of five to seven years as agreed to by the six ASEAN countries.

Mr. Amaret said Mr. Anan dared to make the commitment as the Government believed the 20 percent import duty on 15 sectors was suitable and would not affect Thai industries.

"In the past Thailand has fully protected local industries by using more tariff restrictions than other ASEAN countries, but now it has a strong position to compete with other ASEAN countries so there is no need to give high protection as in the past," he said.

He said if the free-trade policy encouraged industries to become more productive and to compete on the world market there was no reason to delay its process.

Mr. Amaret accepted that some sectors, such as plastics and palm-oil products, may be adversely affected because of a lack of comparative advantage, but he was confident Thai industrialists would be able to adjust and face the tough competition by developing more value-added products.

Some were ready to move into other industries.

"The fast growth of the Thai economy in the past 15 years has proved that Thai industries have a higher efficiency than other ASEAN countries so we should not fear," he said.

Mr. Amaret assured Thai industrialists it would be extremely difficult for anyone to reverse the Government's process of liberalisation, because the deregulation policy generally had been accepted by the public.

He believed the implementation of the AFTA would force Thailand to further liberalise its industries.

He suggested that Thai investors seek investment opportunities in other ASEAN countries or Indochina, particularly in the area of labour-intensive industries.

Mr. Amaret also said the AFTA would help Thailand build up a bargaining position to negotiate with other countries in the multilateral trade talks and help it avoid unilateral action by some superpowers.

Suchinda Welcomes Southern Communists Surrender

BK2102144992 Bangkok Radio Thailand Network in Thai 1200 GMT 21 Feb 92

[Report by correspondent Ophat Sewikun of the Public Relations Department on today's ceremony in Surat Thani Province hosted by the 4th Army Region to welcome the last batch of southern communist defectors]

[Text] At Surat Thani town hall this morning, Supreme Commander and Army commander in chief General Suchinda Khraprayun presided over a ceremony organized by the 4th Army Region to mark the end of the armed struggle of the Communist Party in the south. After that, Gen. Suchinda outlined to newsmen the main reasons the communist terrorists abandoned their struggle, defected to the government, and joined in the national development program. He said:

[Begin Suchinda recording, in progress] We carried out the open-arms policy for so many years and in many areas of the country in order to get those people to join us in national development. We achieved success gradually. Our brothers who turned themselves in today are following the example of their predecessors in other parts of the country. They have witnessed that defectors had been treated well by the authorities. They might not have had any faith in us at the start, but now they trust us. Also, they must have realized by now that most countries in the communist camp have failed—that communism is a failure as an economic system. Those who still uphold communism must have doubts about that system now because the communist powers themselves have asked the free world for assistance. I believe any Thai who still holds to that illusion would see the truth by now. Well, that is the first reason. Secondly, they have now lost the support of the people. These are the reasons for their surrender. [end recording]

Asked why there is still no plan to repeal the anticommunist act, the supreme commander and army chief replied:

[Begin Suchinda recording] Why do we still need the anticommunist act? Well, because we still have the armed struggle. Our country adopts the democratic system with the king as head of state, but this is not acceptable to the communists. Even though the communists may be allowed to fight in the open through political means, would they agree to uphold democracy with the king as head of state? This is the question. If they do not accept our system, then their ideology is illegal and unacceptable to us. [end recording]

Election Violations Noted in Northeast

BK2302022892 Bangkok THE NATION in English 23 Feb 92 p A1, A2

[By Nakhon Ratchasima]

[Text] Many election candidates campaigning in this northeastern province are openly defying the Electoral Code despite the presence of members of independent poll monitoring committee, a committee spokesman said yesterday.

According to field reports from the watchdog's volunteers, the alleged breaches of the election law have occurred in all five constituencies of the province, said chairman of Poll Watch's Region 3 public relations subcommittee, Thawisan Ponanurak.

The poll watchdog will report its findings to the provincial governor and the government which will decide whether to take action against the candidates, he said.

Citing specific cases reported to the committee, Thawisan said a candidate was found to have distributed talcum powder to villagers and students in Muang district, which is in Constituency 1. A teacher at one municipal school even told students to accept the gift from the candidate, he said.

At Kutwiang village in Sikhiu disrict, a candidate hosted a big feast for canvassers. And at Munwai village in the same district, another candidate distributed presents, including television sets and refrigerators, to villagers at a temple fair, said the spokesman.

Another was reported to have promised to have a road constructed for residents at Ban Fai village in Muang district. At Ban Pho village in the same district, a candidate donated money to a school, he said.

At Nong Krathum village in Sikhiu district, which is in Constituency 2, a candidate was found to have offered Bt100 to each resident who promised to vote for him, said Thawisan.

Yet another was reported to have sponsored the tailoring of dresses for housewives at a village in Dan Khun Thot district, he added.

In Khon Buri district Constituency 3, a candidate played host to a big feast on an open field for his supporters, he said.

In Constituency 4, a candidate in Phimai district has reportedly received the help of district councillors to distribute clothes to his constituents, said Thawisan.

A report from Constituency 5 said a candidate had his canvasser lead a survey of an area straddling Bua Yai district and Ban Luam subdistrict, claiming a road will be built there soon, said the spokesman

Thawisan said Nakhon Ratchasima villagers so far have been very cooperative with the poll watchdog volunteers, apparently with the hope of erasing the reputation the province has for rampant vote selling.

Post-Election Political Scenario Viewed

BK2302005992 Bangkok BANGKOK POST in English 23 Feb 92 p 4

["Weekend Analysis" by Banyat Thatsaniyawet]

[Text] The post-election political scenario appears to be shaping up as many anticipated after the military-appointed assets probe team cleared Chat Thai Party secretary-general Banhan Sinlapa-acha from its list of suspected "unusually rich" politicians.

The ruling on Social Action Party [SAP] secretary-general Montri Phongphanit also appears likely to follow suit.

Both politicians, ex-interior and ex-communications ministers respectively, made newspaper headlines towards the end of the Chatchai Chunhawan administration when major infrastructure projects such as

Skytrain, the three-million-line telephone expansion and the Hopewell urban train and freeway project were hastily pushed through.

The National Peace-keeping Council [NPKC], in overthrowing the Chatchai administration on February 23 last year, cited widespread corruption among politicians who abused their authority for the benefits of themselves and their associates as one of the justifications for the coup.

A committee was subsequently set up to investigate and seize the assets of politicians who could not account for the sources of their wealth.

The focus then shifted to the ministers who were in charge of the projects with speculation that the chance they would be spared from having their assets seized would be slim.

But the fate of those who "grow" through politics can be unpredictable.

Today, Mr. Banhan has virtually won himself a certificate of being "ordinarily rich" having been cleared by the assets committee.

He now confidently boasts he has been rich for a long time with hundreds of millions of baht in cash and thousands of millions of baht worth of land, not to mention his soda bicarbonate factory and his salt mine.

The politician is now busily assisting his candidates in campaigning for votes in several parts of the country in the hope of staging a political comeback to form the next coalition.

Chat Thai has undergone several major changes. The most recent took place after the coup when former Airport Authority of Thailand governor ACM [Air Chief Marshal] Sombun Rahong was appointed its leaders.

The party in 1986, apparently assisted by then deputy Army chief Gen Chawalit Yongchaiyut, replaced leader Praman Adireksan with Maj-Gen Chatchai Chunhawan, who led the party to join the SAP and the Democrats in forming a coalition led by Gen Prem Tinsulanon.

After the February 23 coup, Gen Chatchai who is known for his high sensitivity to political winds, declared he would wash his hands of politics and pave the way for the appointment of ACM Sombun as his successor.

The Chat Thai's new leader, a known close associate of Air Force Chief Kaset Rotchananin, is the same man who helped a group form the Samakkhi Tham Party [STP].

The appointment of ACM Sombun helped swing Chat Thai's position in the anti-NPKC wing to the pro-militay fold.

When the Chat Thai Party announced its alliance with the SAP, whose secretary-general Lt-Gen Khasem Kraisan is close aide to Army chief Gen Suchinda Khraphrayun, and the STP, one political picture emerged.

The three political parties may be trying to form a political bastion for the NPKC to support an outsider like Gen Suchinda as prime minister.

The assets committee's inability to pin Mr. Banhan in the asset seizure probe—the end result is anticipated to be similar in Mr. Montri's case—may have surprised many people.

But for observers who closely monitor the political situation the committee's decision was long expected.

This prediction was based on the fact that Chat Thai, the SAP and STP have worked together to take the lion's share of Lower House seats to be the core of the next coalition.

Mr Banhan is not just a secretary-general. He can be compared to Chat Thai's heart which helps hold the party together.

Although Gen Chatchai, Maj-Gen Praman and deputy leader Sano Thianthong have had their assets seized by the committee, the clearing of Mr. Banhan has given the party a new lease of life.

Having faced a major mass defection caused by internal conflicts, the SAP and its diehard members underwent a major morale-boosting session after Lt-Gen Khasem was appointed secretary-general and wealthy businessman Dr. Bun Wanasin announced his support for the party.

Mr. Montri has now to consolidate further his party's political foothold during the post-election period by helping Lt-Gen Khasem, a new face in national politics, to be elected to parliament.

To achieve this, the SAP will have to squeeze out former MP [member of parliament] Narong Kittikhachon, former Liberal Party leader and now adviser of the Prachakon Thai Party, from the winning lane.

Both Lt-Gen Khasem and Col Narong will be contesting Ayutthaya's Constituency One which has two seats. The other seat is expected to go to Bunphan Kaeowatthana, the hot favourite who is a close relative of Mr. Montri and a former MP in the constituency.

Meanwhile, Watthana Atsawahem, who has joined Chat Thai as its deputy leader, is assisting ACM Sombun to win the contest in Samut Prakan.

However, ACM Sombun's political future appears to have become shaky now that the committee has declared Mr. Watthana unusually rich and has ordered four million baht seized.

While certain political parties are gearing up to push Gen Suchinda forward as the next prime minister, the general's final decision will depend on whether he dares to swallow his words and to withstand opposition pressure from students and some politicians.

However, after judging the quality and ability of the leaders of would-be coalition parties, the chance is still high that the next premier will be an outsider.

Commerce Official Views Drug Patent Issue

BK2502090592 Bangkok BAN MUANG in Thai 25 Feb 92 p 18

[Text] Phatchara Itsarasena, permanent secretary of the Commerce Ministry, commented yesterday on a call by academics and students to extend to four years a period set for 180 days before a new patent law comes into force. He said that as an authority in charge of the intellectual property issue, he himself has consistently tried to delay the deliberation of the draft patent bill upon the request of the Public Health Ministry but admitted that he can no longer delay it.

"The Public Health Ministry has asked us to extend the period to four years before the enforcement of the new patent law. We asked them what they wanted that time for. They said they wanted the time to research and develop new medicine, which I think would require a period of at least 50 years [as published]. I sympathize with Commerce Minister Amaret Sila-on, because, whoever is in that post, he would have to do the same and tell the students the same thing. As a matter of fact, we have to do what we are doing because the United States has applied constant pressure on us. If we ignore them, we would then face U.S. trade retaliation in the same way that other countries have," concluded Phatchara.

Proposed Defamation Legislation Criticized

BK2502024992 Bangkok BANGKOK POST in English 25 Feb 92 p 4

[Editorial: "Stop This Bid To Crush the Right To Know"]

[Text] A regional business publication recently pointed out the irony of a Thai prime minister coming under criticism at home for working too hard, in this case rushing a record number of legislative bills through the National Legislative Assembly (NLA) in less than a year. Past governments have not all distinguished themselves by such diligence, but then they have had rather more stubborn legislators and at times rustier parliamentary machinery to deal with. Be that as it may, the Anan Administration has accomplished a great deal in the comparatively brief time it has been in office. No one can rightly object to the economic reforms, the introduction of a fairer tax system and initiatives taken to make our country more competitive and a mover and shaker in the forefront of modern technology.

What can be called into question is the pace at which some of this legislation has travelled through the Assembly. Any proposed new law needs very careful consideration and consultation with those holding a legitimate viewpoint based on extensive experience. Tax experts and the experiences of other countries played a part in the preparation of our own value added tax (VAT) legislation and health experts considered the ramifications of curbs on smoking. This is correct procedure which takes into account all viewpoints, including those with vested interests.

But on Friday, January 24 something went badly wrong with this deliberative process. Without any warning and certainly no consultation with representatives of the mass media, amendments to Article 447 of the Civil and Commercial Code together with an amendment to Article 328 of the Criminal Code were rushed through the NLA increasing the penalties imposed for a defamation conviction to draconian levels. The bill passed all three readings with suspiciously little debate and the legislation is now awaiting royal assent.

The views, which should have been sought before this measure saw the light of day, surfaced afterwards as outrage and a sense of betrayal. The Lawyers Council condemned it in the strongest possible terms and the chorus of opposition has swollen to include respected politicians, academics and responsible journalists. The unity in this common cause stems from the mandatory minimum four million baht fine which must be imposed by a judge in the event of a civil conviction for libel. This is twenty times higher than the new 200,000 baht fine set for a criminal conviction, which also carries provision for a jail term of up to two years. Of course, a successful criminal action is usually followed by a civil action for damages and the judge is left with no latitude to assess a fair amount of compensation taking into account all the circumstances of the case, including mitigating factors. He must impose the four million baht minimum amount dictated by law.

For many newspapers, magazines, politicians or individuals this would spell financial ruin. This, in turn, engenders a climate of fear with the media self-censoring itself in protection against "get rich quick" lawyers who will comb the pages of newspapers seeking questionable material, contact the offended party and persuade them to sue in exchange for a share of the damages. In such a climate it would take a brave or foolhardy editor to expose corruption in official circles or put the livelihood of his company and staff in jeopardy by crusading a little too actively against injustice and malpractice.

In short, the new law will restrict freedom of expression and deny the public their right to know.

This is hardly in line with our much-touted move to a "more open society" and it appears that Prime Minister Anan Panyarachun has belatedly realised this. The news media of today is far more responsible and self-policing than that of a decade or two ago and newspapers now live or die by their reputation for accuracy and ethical standards. This was officially acknowledged by the lifting in November, 1990, of Decree 42 under which newspapers could be closed virtually at whim. In exchange the press agreed to abide by self-regulated high standards and face tougher—but not outrageous—penalties for transgression. That was seen as a move out of the dark ages and a coming of age for the press in Thailand. The next step should be legal measures to enhance the journalistic profession and rights of individuals—not repress them.

This time it is not the reputation of the press or the outspoken among us which is at stake. The onus to right this wrong lies squarely with the Anan Panyarachun government, not its successor. It must be done with only slightly less haste than the speed with which this legal throwback to a bygone age was enacted.

Second Force Sent To Repair Cambodian Highway

BK2002144192 Bangkok Army Television Channel 5 in Thai 1230 GMT 20 Feb 92

[Text] Today, the Army dispatched a second engineering task force battalion, comprising about 700 men, to repair 69 km of Highway 5 in Cambodia. At the 12th Infantry Regiment in Prachin Buri Province today, supreme commander General Suchinda Khraprayun presided over the ceremony to send off the battalion to repair the highway between Sisophon and Battambang. The battalion will come under tactical control of the UN advance team. Its mission is to repair bridges, buildings, airfields, communication routes, and utility services, such as producing and storing clean water. The soldiers will receive the same privileges given foreign soldiers under UNAMIC [UN Advance Mission in Cambodia], including per diem, risk pay, life insurance, and protection by the Cambodian Government. Soldiers from quartermaster, signal, medical, and veterinary units also augment the battalion in the mission in Cambodia.

Vietnam

U.S. Experts at Conference Want Normalized Ties

BK2502120992 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 25 Feb 92

[Text] With the consent of both sides, the U.S. Aspen Institute for International Relations Studies held a third U.S.-Vietnamese dialogue in Nadi city of the Republic of Fiji in the South Pacific from 10-14 February.

The Vietnamese and U.S. delegations attending the dialogue were made up of a number of National Assembly deputies, scholars, researchers, and Foreign Ministry officials. The U.S. delegation was also represented by officials of various banks and the International Monetary Fund, while the Vietnamese delegation was also represented by officials of the Vietnamese-U.S. Association, the Daily NHAN DAN, and the Vietnam War Veterans Association.

The Vietnamese delegation was led by Comrade Nguyen Thi Binh, chairperson of the National Assembly's Foreign Relations Committee, while the U.S. delegation was headed by Mr. Solarz, chairman of the U.S. Congress' Asia-Pacific Affairs Subcommittee.

The dialogue discussed the relations between the United States and Vietnam over the past few years, the residual obstacles, and the prospects for improvement of relations between the two countries amid a new international situation.

The Vietnamese side presented the renovative lines on both domestic and foreign policies and on initial achievements gained. It also expressed its goodwill for cooperation in solving oustanding issues.

The U.S. side presented the political situation in the United States and those matters concerning the continuing bilateral cooperation.

All those participating in the dialogue expressed a desire to overcome all obstacles left behind by war and to look toward to the future in pressing for the improvement of relations, for early lifting of the embargo policy, and for normalization of relations between the two countries.

U.S. Business Delegation Arrives for Visit

BK2502074392 Hanoi VNA in English 0649 GMT 25 Feb 92

[Text] Hanoi VNA Feb. 25—A 15-member American business delegation has arrived for an eight-day visit to Vietnam at the invitation of the Vietnam Chamber of Commerce and Industry.

The visit led by Ms. Mathilde Genovese, chairwoman of the Hong Kong-based Asia-Pacific Council of American Chambers of Commerce aimed at inquiring into investment and commercial posibilities in heavy and light industry, energy, services, and protection of intellectual and human resources in Vietnam.

On February 24, the delegation had working sessions with representatives of the Foreign Ministry, the State Committee on Cooperation and Investment and concerned ministries and offices.

Allegations of Advisers in Cambodia Rejected

BK2402161792 Hanoi VNA in English 1511 GMT 24 Feb 92

[Text] Hanoi VNA Feb. 24—Some foreign news agencies recently quoted several foreigners in Phnom Penh as saying that "Vietnam has still left a small number of advisors in service of the Ministry of Interior and other security bodies of Cambodia."

VIETNAM NEWS AGENCY is authorized to reject these fabrications and affirms that there are at present no Vietnamese military and security experts or advisors in Cambodia.

Lao Ambassador Addresses SRV-LPDR Symposium

BK2002142392 Hanoi Voice of Vietnam Network in Vietnamese 0015 GMT 16 Feb 92

[Statement by Lao Ambassador to Vietnam Khamphet Phengmeuang at a recent Hanoi symposium on Laos-Vietnam relations—recorded in Lao fading into Vietnamese translation]

[Text] Dear friends, on behalf of the Lao People's Democratic Republic [LPDR] Embassy in the Socialist Republic of Vietnam [SRV], I am very honored and happy to attend the opening of this symposium under the theme "Special Relations of Solidarity Between Vietnam and Laos." The symposium marks an important turning point in the ideological education of cadres, students, and peoples of our two countries because it will help further promote mutual understanding, solidarity, and cooperation, and constantly advance the cause of national defense and construction in Laos and Vietnam.

It is also the objective of this symposium to meet the requirements set by the Laos-Vietnam joint communique released on 14 October 1991 at the conclusion of a friendship visit to Vietnam by a high-level Lao party and Government delegation. This symposium also has the aim of reaching an important goal already set in the above-mentioned theme concerning the special ties between Laos and Vietnam. This symposium will not only help everyone review the time-honored history of the relations between the two countries, but will also have an important impact on the ideological education of the two peoples as well as of future generations.

Laos and Vietnam are two neighboring countries sharing similar geographic conditions and common rivers and mountains. The two peoples have scored resounding historic victories, have maintained close relations, and have achieved all-around cooperation. For many decades now our two peoples have made countless sacrifices in blood to establish the special Laos-Vietnam friendship, have been endowed with the traditions of relentless struggle against foreign aggression, and have brought the people's democratic revolution to final victory. Since then we have worked together in consolidating solidarity and mutual assistance and have made constant progress in national defense and construction.

Those achievements are the fruit of the traditions of special solidarity and all-around cooperation between the Lao and Vietnamese peoples. Those special relations are proof of our boundless loyalty to an immortal statement by the Vietnamese people's venerated and beloved President Ho Chi Minh that because we love one another, no mountain, river, or pass can stand in our way and the love between the Vietnamese and Lao peoples is more profound than the depth of the Red River and the Cuu Long River.

Once again, at the Fifth Congress of the Lao People's Revolutionary Party [LPRP] and the Seventh Congress of the Communist Party of Vietnam [CPV], our two parties pledged their determination to make efforts to preserve, improve, and constantly develop the special relations of friendship and solidarity as well as the all-around cooperation between the two parties, states, and peoples of Vietnam and Laos.

At the various meetings and receptions to welcome an official friendship visit to the SRV by Comrade Kaysone Phomvihan, party leader and chairman of the LPDR, both sides stressed that in the subsequent years the special relations of friendship and solidarity between the two parties, governments, and peoples of Laos and Vietnam must be consolidated and strengthened with each passing day. The modes of cooperation between the two countries have been perfected step-by-step to bring about concrete results and suit the specific conditions of each country on the basis of the principle of respect for each country's independence and sovereignty, equality, mutual benefit, and mutual assistance based on comradeship and brotherlines.

Both sides pledged the determination of the two parties and peoples to do all they can to constantly preserve and foster the Laos-Vietnam special relations of friendship and solidarity according to the aforementioned orientations and in compliance with the renovation lines set forth by our two parties and governments to meet the two peoples' basic and long-term interests.

Thanks to his far-sightedness and effective strategies, great President Ho Chi Minh has laid the groundwork for the special relations of friendship and solidarity between the two parties and peoples of Laos and Vietnam. Those relations have stood the test of many decades of revolutionary struggle, with the participation of many generations, and have constantly been consolidated and promoted. They constitute a decisive factor in our two peoples' survival and development. Those friendly relations have been deeply engraved in the hearts of all patriots in Vietnam and Laos.

Developing those priceless traditions, let's do all we can to preserve and foster the special relations so they will last forever. I am convinced that through this symposium, Vietnamese and Lao researchers here will share the concrete and diversified results of the special solidarity between Vietnam and Laos with the two peoples and will make an extra effort to help future generations fully understand the fact that the traditions of solidarity and close ties have become indispensable factors of success in the drive for practical thinking and actions.

In view of the actual situation now, it is indispensable to devise systematic, effective, and comprehensive ways to promote mutual understanding between the Lao and Vietnamese peoples, and this is of great significance both in theory and practice.

Malaysia To Cooperate in Steel Production

BK2502075592 Hanoi VNA in English 0643 GMT 25 Feb 92

[Text] Hanoi VNA Feb. 25—Malaysia will build a steel rolling mill in Vietnam in exchange for Vietnamese industrial and agricultural products, said Eric Chia, president of the Malaysian steel company Perwaja, during a meeting with Premier Vo Van Kiet in Hanoi last Saturday [22 February].

Mr Chia told Mr. Kiet about his plans for the Vietnam steel corporation, including exchanging ASEAN experience and technology in the steel industry. Mr. Chia spoke highly of Vietnam's potential, particularly of the people's intellect and possibilities for steel production development. Mr. Chia also put forward opinions for future investment and export-import policies aimed at increasing foreign investments in steel production.

Premier Vo Van Kiet said Vietnam-Malaysia relations are developing well, offering a promising future for steel production in Vietnam. He asked Parwaja and other Malaysian companies for materials and assistence in building a trans-Vietnam 500 kv transmission line. Mr. Chia pledged to give an affirmative answer to the request.

Joint Venture Saigon Business Center Opens

BK1902065692 Hanoi VNA in English 0554 GMT 19 Feb 92

[Text] Hanoi VNA Feb. 19—Saigon Business Centre, a joint venture between the Saigon General Post Office and Telecommunications and Steamers Maritime Holdings Limited (Steamers) of Singapore, begins its operation on Tuesday.

This is a one-stop business centre set up to assist foreign buisinessmen searching for investment opportunities in Vietnam. Its operational offices, complete with secretarial support and telecommunications facilities, provide businessmen with a wide range of professional services of international standards.

The joint venture has a duration of five years and an investment capital of 300,000 dollars.

The centre also serves as a link between domestic enterprises and foreign companies for business development and cooperation.

With strong backing from the Saigon General Post Office and Telecommunications and Steamers, a member of the Keppel Group, the Saigon Business Centre will contribute its services and expertise to the rapidly growing economy of Vietnam.

Joint Oil Ventures with BP, ELF Corporations

BK2502112292 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 21 Feb 92

[Text] The general corporation of oil and gasoline of the Ministry of Trade and Tourism recently signed two contracts for joint business with the two world leading oil production and business enterprises. They are the Southeast Asia Oil Enterprise of the British BP oil corporation and the French ELF oil corporation.

According to the contract with the BP, a lubricant mixing factory of 50,000-tonne daily output will be built at the Nha Be port of Ho Chi Minh City with an investment of $US28 million, 65 percent of which belongs to BP

According to the contract with ELF, Vietnam will be the 27th member of the association of oil businessmen of world navigation. This company will transfer to Vietnam the formula for preparing all types of lubricants used in sea navigation.

Vietnamese ships operating in all international and Vietnamese waters will be provided lubricants at privileged prices.

State Council Issues Communique on Last Session

BK2402155592 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 24 Feb 92

["Communique of the Council of State" on its 21-22 February session]

[Text] The Council of State met on 21 and 22 February under the chairmanship of Chairman Vo Chi Cong.

1. After hearing an investigative report of the National Assembly's Judicial Committee, the Council of State approved a law sponsored by the Council of Ministers on entry, exits, residence, and travel of foreigners in Vietnam. This law contributes to broadening the relations of friendship and cooperation and international exchanges and to protecting national interests and sovereignty.

2. Delegated by the National Assembly, the Council of State approved an export tax chart and tax rate for various goods under the law on export-import taxes after it had heard a report by the Council of Ministers, an investigative report by the National Assembly's Economic, Planning, and Budget Committee, and various suggestions by the National Assembly's Judicial Committee. The export tax chart and tax rate, which are to be promulgated together with the law on export-import taxes, will represent our government's policy to broaden its foreign economic relations, to step up export-import activities of all economic components, to encourage the development and protection of local goods, and to contribute to increasing the source of budgetary revenue for the state.

Based on this export tax chart and tax rate, the Council of Ministers should promptly introduce an export tax for each item of goods and satisfactorily direct work implementation, and create favorable conditions for export-import oriented production and business operations.

3. The Council of State heard a report on the results of the fourth national conference of people's councils held in Ho Chi Minh City from 10-12 February 1992. The Council of State highly appraised the positive developments in the activities of the people's councils at various levels, saying that the role of people's councils has become increasingly clear, that the formalistic character of people's councils has been reduced, and that people's councils have made remarkable contributions to local socioeconomic development.

In the period ahead continual efforts should be made to perfect people's councils organizationally and to create more conditions for the people's councils at all levels to operate practically and more effectively, especially for those at the village and ward levels to fulfill their duties.

4. After consulting with various National Assembly deputies, the Council of State decided to hold the 11th session of the Eighth National Assembly by late March 1992.

Nguyen Huu Tho Speaks at Party Anniversary Rally

BK2202100992 Hanoi NHAN DAN in Vietnamese 1 Feb 92, pp 1, 4

[Opening speech by Nguyen Huu Tho, vice chairman of the Council of State, at 31 January Hanoi meeting to mark the 62d founding anniversary of the Communist Party of Vietnam]

[Text] Dear Comrade Do Muoi, general secretary of the party Central Committee,

Dear comrade party and state leaders,

Dear delegates:

Today, together with their compatriots throughout the country, the people of the capital solemnly commemorate the 62d founding anniversary of the Indochinese Communist Party, which is now the Communist Party of Vietnam [CPV].

On behalf of the Vietnam Fatherland Front [VFF] Central Committee, I would like to warmly welcome Comrade General Secretary Do Muoi and other comrade party and state leaders and delegates to this grand meeting held by the VFF Central Committee and the Hanoi municipal party committee to mark the CPV's founding anniversary.

Our people are extremely grateful to the CPV and esteemed President Ho Chi Minh for leading them to victories in the August revolution and the two wars of resistance, as well as in the present struggle for national construction and defense. They also understand ever more profoundly that the relationship between the party and people is a matter of vital significance to the revolution, and that the correct leadership of the party is the prime factor that ensures success for the Vietnamese revolution.

The commemoration of the party's founding anniversary is an occasion for our people to review the history and tradition of revolutionary struggle under the leadership of the party and President Ho and further cement the close relationship between the party and people. It is also an occasion for us to demonstrate our determination to struggle to successfully implement all the directives and resolutions of the party, especially the resolutions of the seventh party congress, the second party Central Committee plenum, the second-round party organization congresses of various provinces and cities, and the 10th session of the National Assembly.

We mark the party's 62d founding anniversary against a backdrop of great changes in the world situation and at a time when the country still cannot extricate itself from the socioeconomic crisis. At a time like this, it is even more necessary for us to uphold the sense of responsibility and self-reliance to develop our material, spiritual, and intellectual potential and achieve close unity so that, together with the party and state, we will be able to overcome all difficulties in the struggle to make our people prosperous and our country powerful.

In that spirit, may I declare the opening of the grand meeting to mark the party's founding anniversary.

I would like to invite Comrade Pham Van Kiet, vice chairman and secretary general of the VFF Central Committee, to deliver a speech.

Nguyen Duc Binh Attends Ideological Congress

BK2202055192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 15 Feb 92

[Report on the third second-round party organization congress held by "the Bloc of Party Central Committee's Ideological Organs" in Hanoi from 12-14 February—read by announcer]

[Text] The party organization of the Bloc of the party Central Committee's Ideological Organs held its third second-round congress in Hanoi from 12-14 February.

Attending were 190 delegates representing over 3,200 party members of 18 party organizations or party chapters under the bloc. Comrade Nguyen Duc Binh, member of the party Central Committee's Political Bureau, also attended and monitored various activities of the congress.

Comrade Ha Hoc Hoi, secretary of the party committee of the bloc, delivered a report at the congress. He affirmed those achievements already gained as well as those initial changes for the better achieved in the three domains—theoretical research, mass news media, and culture and art. He also frankly pointed out those shortcomings and weaknesses displayed in ideological work by the contingent of idelogical cadres.

To ensure successful implementation of guidelines for ideological and cultural activities as well as of the many theoretical study documents of the Seventh Party Congress, it is necessary to concentrate on renovating and renovating ideological and theoretical work and basically improving political indoctrination.

Realities are requiring us to put our theoretical work on the forefront by linking it with realities and using it to guide daily activities and promptly resolve those issues arising from every-day life. It is necessary to constantly and directly struggle against hostile activities of the imperialists in their peaceful evolution scheme and to expose those wrongful and opportunistic tendencies which are undermining the entire party and the regime, both from within and without.

Mass media organs should ensure the right to information of party cadres and members and of the people. We should improve the quality and efficiency of our information work. Information should be diversified, timely, mutidirectional, faithful, and oriented. We should strive to meet a demand for timely information at a time when there is fierce competition in the market economy and in international relations and when the enemy of all stripes is still haboring its schemes and maneuvers against us.

Cultural and art organs should contribute to building a modern culture bearing a heavy imprint of national identity and to cultivating a lofty, diverse, copious spiritual life with humanitarian, democratic, and progressive traits.

Discussing the role, functions, and ideological tasks of the party organization of the entire bloc as well as the system, policies, and material-technical facilities for personnel, many delegates suggested measures to improve the professional expertise, organizational discipline, and a sense of responsibility of ideological workers and to generate an integrated strength for various units and combat branches so they can take the initiative in launching an offensive on the ideological and cultural front.

To build the party organization into a truly steadfast one worthy of being a reliable prop of the party on the ideological front, the delegates discussed at length about the functions, operational procedures, and relations between organs. They laid emphasis on the role of providing political indoctrination for ideological workers in the new situation.

Addressing the congress, Comrade Nguyen Duc Binh pointed out the guidelines for idelogical activities for the period ahead and asked the congress to scrupulously and objectively assess the situation, set forth appropriate tasks, and profoundly understand the Seventh Party Congress' essential concepts on ideological work. Everyone should voluntarily steel himself and cultivate his profession and ethical qualities. He should have the courage to protect what is right and struggle against what is wrong. He should build for himself a unshakable stance over the party's renovation undertaking. A communist should not have any ideological stand other than that of his party.

Comrade Thai Ninh, head of the party Central Committee's Ideological and Culural Department, also spoke, pointing out a number of urgent tasks for ideological activities in view of the current situation.

The congress of the party organization of the Bloc of the party Central Committee's Ideological Organs concluded successfully.

The congress elected a new, 19-member executive committee for the party organization.

Science, Education Meeting Held; Officials Speak

BK1902132192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 13 Feb 92

[Text] On the morning of 13 February 1992 in Hanoi, the party Central Committtee Science and Education Department organized a conference on science and education in the northern provinces. Attending the conference were Comrade Nguyen Duc Binh, member of the Political Bureau in charge of the party's ideological work; comrade party Central Committee members in charge of science and education; representatives of the various party Central Committee departments; and a large number of comrades in charge of science and education in the northern provinces.

Comrade Nguyen Dinh Tu, secretary of the party Central Committee and chairman of the party Central Committee Science and Education Department, delivered the opening speech pointing out the important role of science and education. As mentioned in the seventh party congress resolution, the objective of our socioeconomic activities and overall renovation work is to benefit human resources development. Therefore, all activities must focus on that goal.

Next, Comrade Pham Tat Dong, vice chairman of the party Central Committee Science and Education Department, presented a number of key issues related to the function, duties, and organization of science and education at all levels. The conference will hear the following:

—A report by the comrade chairman of the State Science Commission on issues related to science and technology;

—A report by the minister of education and vocational training on issues related to the renovation of education and vocational training; and

—A report by the minister of health on health protection strategy and a program for mother and child protection. The conference will also hear delegates report on issues related to population, family planning, our country's population control strategy for the 1991-95 five-year period, and party committee echelons' leadership over this task, as well as actual reports from the various localities. The conference will last until 15 February 1992.

Binh Dinh Congress Views Advances, Failures

BK2302151792 Hanoi NHAN DAN in Vietnamese 30 Jan 92 pp 1, 4

[VNA report]

[Text] The Binh Dinh provincial party organization held its second-round congress of delegates in Qui Nhon city from 24 to 26 January. Attending the congress were 380 delegates representing more than 25,000 party members in the province. Comrade Le Phuoc Tho, Political Bureau member and secretary of the party Central Committee, also attended and addressed the congress.

On behalf of the provincial party organization, Comrade Nguyen Trung Tin, member of the party Central Committee and secretary of the provincial party committee, read a report summing up the process of leadership of the party organization over the implementation of political tasks in its last term of office. The report said: The achievements recorded by Binh Dinh in the recent past are of substantially fundamental importance. Relatively obvious progress has been made in the fields of agriculture, forestry, fishery, processing industry, and export, especially grain production, raising of aquatic products, livestock breeding, and afforestation. A vigorous change has been effected in the process of advancing from an autarkic economy to a commodity economy. Social order and national security have been firmly maintained. New changes and obvious progress have been made in the domains of culture, information, and press. Almost all cadres and party members have been able to adopt a firm standpoint and to reach a high identity of views with those at the central level. In general, social life has been stabilized and living conditions in the rural areas have been improved.

However, the provincial party organization still has many weaknesses. The party organization has failed to accomplish the following: maintenance of strict discipline among grass-roots party organizations and state agencies and in society; satisfactory fulfillment of all economic tasks; establishment of major centers for the production of goods, especially export goods; effective prevention of the destruction of forests; and curtailment of the waste of money and materials, which could create loopholes for acts of negativism—such as corruption, fraud, and smuggling—to develop in society. Meanwhile, adequate attention has not yet been paid to education and public health. Social policies have not yet been implemented satisfactorily. The rate of population growth remains high, as many as 5,000 laborers remain unemployed, and crimes and social vices are still on the rise. Disunity still exists among party ranks. Many cadres and party members have become degraded or degenerate and some of them have not yet been dealt with justly and severely, and party membership has developed slowly.

The congress concentrated on discussing the socioeconomic strategy for Binh Dinh and determining the main targets for the period from now until 1995 in an effort to extricate the province from the state of poverty and underdevelopment. The strategy involves expanding the production of grain, silk, farm and aquatic products, oil-bearing plants, and forest products; stepping up the exploitation of granite, titanium, and kaolin for export; vigorously developing services at Qui Nhon port; expanding the production of goods for foreign countries under contracts as well as export goods. By 1995, Binh Dinh will strive to achieve a grain output of 520,000 to 550,000 metric tons (converted to paddy equivalent) and an average annual per-capita grain distribution of 370 to 380 kg and an average annual per-capita export value of 30 U.S. dollars. The province will also raise the living standards of its people in some essential aspects; improve the livelihood of wage earners, welfare recipients, and members of the Armed Forces; ensure that 80 percent of the local people's houses are tile-roofed; put 50 to 60 percent of rural villages under the electricification program; procure employment for laborers; and reduce the rate of population growth by an average of 0.6 percent each year.

Addressing the congress on behalf of the party Central Committee, Comrade Le Phuoc Tho noted the achievements recorded by the Binh Dinh provincial party organization in the economic and social domains. He also pointed out its limits and weaknesses that must be overcome in the days ahead.

The congress elected 43 comrades to the 14th executive committee of the provincial party organization. Comrade Nguyen Trung Tin, member of the party Central Committee, was elected secretary of the provincial party committee.

Nationalities Issue in Constitution Raised

BK2002063192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 13 Feb 92

["Excerpt" of NHAN DAN 13 February article by Luc Van Sang: "The Issue of Nationalities in the Constitution"]

[Text] Regarding Article 5 of the draft revised 1980 Constitution, we should realize that the realities of the revolutionary war in our country over the past few decades indicate that troubles and difficulties among people of various nationalities have not been completely settled. In some localities at various times, problems concerning relations among people of various nationalities have remained complicated. As a result, we should strengthen solidarity among people of different nationalities in order to oppose all manifestations of division among them. There are problems not only between lowland and highland dwellers, but also between the relatively numerous peoples on the one hand and the ethnic minority peoples on the other.

Regarding Article 91, we have two suggestions: The first concerns the issue of the function, authority, and mission of the Council of Nationalities; and the second concerns the technical term "mountainous regions." I would merely like to say that the words "mountainous regions" are inaccurate and should not be used. Mountainous regions are natural geographical areas and are the opposite of plains. They carry no social implication, so they do not indicate the minority people. Some people do not agree to using the words "ethnic minority," thinking they are not nice words; in fact, they are accurate terms.

In ordinary life as well as in theory the use of correct words is very important. The correct naming of things makes distortion and sophism impossible in writings and speeches. Our ancestors' slogan of correct cause and strong words carries the same meaning. I therefore suggest that in all official texts of the party and state, the words "ethnic minority" people should be used instead of "mountainous regions."

Everyone knows that hundreds of thousands of Khmer people and many other nationalities in the Nam Bo delta are ethnic minority people in our country and the delta is not a mountainous region.

HCM City Completes Poll on Constitution

BK1902131792 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 16 Feb 92

[Text] According to a Ho Chi Minh City-based Voice of Vietnam correspondent, to date Ho Chi Minh City has basically completed a political drive aimed at soliciting people's suggestions on the draft amendments to the new Constitution. According to statistics released by the city steering committee, nearly one million people have come to know about the draft constitutional amendments in one form or another and nearly 500 people have contributed suggestions.

In its recapitulative report, the city steering committee drew a number of general lessons as follows: Party committee echelons, grassroots administrative bodies, cadres, and party members have displayed a correct attitude and a high sense of responsibility toward the drive to contribute suggestions to the draft constitutional amendments. The people have felt free to contribute suggestions. A very large number of people have contributed correct suggestions based on realities and focusing on a number of key chapters.

Generally speaking, through their suggestions people have unanimously agreed with the contents of the draft amendments to the Constitution and have maintained that the amendments are a necessity and conform with the main contents of the various documents adopted by the Seventh National Party Congress as well as with the current developments at home and abroad.

In addition to those suggestions on the need to add, remove, or clarify some terms or phrases, other suggestions have focused on those important chapters dealing with the economic system, economic management policies, city administration at three levels, citizens' rights and duties, and roles and functions of people's councils and the National Assembly.

Many suggestions have maintained that the style of the draft amendments to the Constitution is not sufficiently concise and that in many parts of the draft amendments legal and technological terminology still lacks clarity.

Thanh Hoa Deputy Views Draft Constitution

BK1902063392 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 12 Feb 92

[Statement by Dinh Nho Liem, National Assembly deputy of Thanh Hoa Province, contributing his views to the draft revised 1980 Constitution—recorded]

[Summary] "In general, chapters VI, VII and VIII on the agencies of state power have basically manifested the structure and operating principles of state agencies in the new stage and have institutionalized the relationship between the people's mastery, state management, and party leadership."

I have two suggestions: The National Assembly should pay more attention to the standard of knowledge of deputies in order to better enhance the quality of their suggestions and to make their activities more effective. "The number of deputies assuming several positions concurrently should be reduced and the number of deputies working full time should be increased. The number of deputies working full time at both central and local levels may be approximately one fourth of the total number of deputies."

The National Assembly is to hold four, instead of three, sessions each year and each session should be shorter and adequately prepared. "With such aforementioned changes, the National Assembly will have more scope for deciding fundamental domestic and foreign policies and effectively implementing its right to supervise all the activities of the state, especially the government, as specified in Article 82 of the draft."

My second suggestion is that "the revision of the Constitution in the new direction should aim to raise the responsibility and authority of the National Assembly as the highest agency of the people' delegation and the highest organ of our state power. Since we still have to go through the process of gradually advancing toward regularizing the operations of the National Assembly, it is not advisable to organize the State Council. We should apply the project for defining definite authority and responsibility of the presidents of the country and National Assembly. We should not be afraid that the project will reduce the collectivity of government because there are already party and state organizations to ensure collectivity and individual responsibility, such as the party Central Committee, the Political Bureau, the Secretariat, the National Assembly and the government."

The organization of the State Council will not conform with the policy of streamlining the machinery and will make it difficult to clearly define the jurisdiction of the National Assembly and the State Council. "The Eighth National Assembly has shown that when we had to make an urgent and important decision, we had to go through many echelons of the party and the state. It is therefore difficult to ensure timeliness."

The various councils and committees of the National Assembly, with deputies thoroughly versed in both domestic and foreign affairs working full time, are responsible for preparing the various sessions of the National Assembly.

Vo Tran Chi Exchanges Views With Paper's Readers

BK1802135892 Hanoi Voice of Vietnam Network in Vietnamese 1000 GMT 15 Feb 92

[From the press review]

[Text] In today's issue, SAIGON GIAI PHONG reported that people of all walks of life have enthusiastically contributed suggestions to the draft amendments to the 1980 Constitution.

Comrade Vo Tran Chi, member of the Political Bureau and secretary of the Ho Chi Minh City party committee, had an exchange of views with the readers of SAIGON GIAI PHONG on the issue of party leadership and people's mastery through the power of a democratic state.

The purpose of the exchange of views was to clarify the theoretical point that under the party's leadership, our country has every condition for building a truly democratic regime.

Comrade Vo Tran Chi said: In the final analysis, democracy means interests and as such, democracy serves as the driving force of society. Under our regime, the legitimate interests of workers, peasants, intellectuals, people of different ethnic groups, and religious organizations—in other words, the interests of the majority of people of different social strata—are protected by the state and law. Citizens are equal before the law and exercise their right of mastership through the system of elected institutions, front organizations, and mass societies. Briefly, under the leadership of the Communist Party of Vietnam [CPV], our country has every condition and ability to build a genuinely democratic system in its true sense.

Of course, there must be appropriate action programs and firm steps if this goal is to be realized. Only by doing so can there exist conditions for the democratization process to advance forward step by step.

Commentary Hails UNDP Aid to Economy

BK2302081092 Hanoi Voice of Vietnam in English 1000 GMT 19 Feb 92

[Station commentary]

[Text] The governing council of the United Nations Development Program [UNDP] has just adopted a country program for Vietnam. Here is our radio comment on this happy news of the Vietnamese people.

The program of development aid to Vietnam designed and adopted by the governing council of UNDP is valued at about 93 million U.S. dollar to be effective in the next four years. Specifically, it will be used to support Vietnam's economic reforms. They include policy research, development of legal system, reforms in the banking and financial system and state-run enterprises.

Under this UNDP program, Vietnam will also be assisted in education research, development of social insurances, personnel training, assistance to ethnic minority groups, resettlement of Vietnamese repatriates. The sum to be provided to Vietnam in the next four years will enable the [word indistinct] development of the environment, in the making of law and [word indistinct] of non-environmental pollution, and strengthening disaster preventions, and many others. This is a major and effective assistance to Vietnam in an effort to quickly develop its economy.

Mr. Mai Ky, deputy head of the State Planning Commission has highly valued UNDP assistance to Vietnam, describing it as highly effective. On behalf of the Vietnamese government and people, he voiced Vietnam's gratitude for this valuable assistance. He also expressed the wish that the relations between UNDP and Vietnam will be developed further along the process of implementing this country program.

For many years, UNDP and Vietnam, whose representative is Mr. David Smith, have been conducting many activities in support of Vietnam in many fields. In particular, mention should be made to UNDP assistance to Vietnam in compiling the law on foreign investment in Vietnam. UNDP has sent consultants to Vietnam to help in this undertaking.

Another memorable event was the investment forum held in Ho Chi Minh City in March 1991 which was the joint effort between Vietnam and this UN agency. This forum demonstrated the quality of the investment code adopted by Vietnam. It is interesting to note that many projects have been and are being undertaken with excellent economic results since the adoption of this investment law.

UNDP has also been a mediator and supporter to foreign companies in preparation of investment project documents. UNDP assistance also finds expression in the work of such special organizations as World Food Program, Food and Agriculture Organization, OXFAM

[Oxford Committee for Famine Relief], UNIDO [United Nations Industrial Development Organization], and some others.

The Vietnamese people are grateful to the program of assistance financed by international organizations and UN agencies, whose concrete results are very effective in Vietnam's economic and social development.

Army Leaders Attend Economic Conference

BK2202143392 Hanoi Voice of Vietnam Network in Vietnamese 1400 GMT 19 Feb 92

[Text] The Ministry of Defense recently held a conference on the Army's economy to generally review the Army's performance in national defense and economic production in 1991 and to set forth the national defense and economic production plan for 1992. General Doan Khue, member of the Political Bureau, deputy secretary of the party Central Committee's Military Commission and defense minister, and Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee, standing member of the party Central Committee's Military Commission, and general chief of staff presided over the conference.

After three days of urgent and scrupulous work, the conference pointed out the strong aspects and encouraging results of all three forms of economic work in the Army last year which have made some new progress.

All the plan norms for deliveries to higher echelons and the state which were set at the beginning of the year have been fulfilled and overfulfilled by 6-10 percent as compared to 1990. Moreover, in 1991 the operations of export-import and international cooperation took place quite busily and brought about good initial results. Yet, the results of the Army's economic work last year, especially in the field of foreign exchange, are still insignificant and unstable. In the activities of joint business with foreign countries, the implementation of contracts has not been closely controlled in some places, causing serious consequences in labor safety and disregard of state law.

The conferees resolved to focus all efforts on making the Army economy progress more in 1992 than 1991. The Army's economic tasks must encompass all three domains which are to meet the requirements of national defense in the new situation, to participate actively in restoring and manufacturing spare parts, and to initially carry out the strategy of building and developing national defense industry as planned, thus helping implement the strategy of socioeconomic development and stabilization until the year 2,000.

Meeting Reviews Foreign Cooperation, Investment

BK2402090192 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 23 Feb 92

[Text] Under the authority of the chairman of the Council of Ministers, on 21-22 February 1992, the State Committee for Cooperation and Investment [SCCI] held a meeting to review foreign cooperation and investment in the four years 1988-1991. The meeting also discussed measures and policies to further attract foreign investment to Vietnam.

Nearly 200 delegates, consisting of leading comrades of provinces, cities, and government ministries, attended the meeting. Comrade Tran Duc Luong, vice chairman of the Council of Ministers, and Comrade Hong Ha, secretary of the party Central Committee, also attended the meeting.

A report presented by SCCI director Dau Ngoc Xuan and statements made by meeting delegates showed that foreign cooperation and investment work in the last four years—since the promulgation of the Foreign Investment Law—has achieved significant success. So far, more than 300 projects have been signed with investment capital of more than 2 billion dollars in different economic fields. Some highly valuable projects have been started. However, some problems still exist and need to be solved quickly in order to improve the investment atmosphere and attract more foreign capital and technology.

The meeting also set practical targets for foreign cooperation and investment for 1992 and the following years.

Exhibition Features Foreign Investment

BK2302114592 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 20 Feb 92

[Text] On the morning of 20 February 1992 at the Vietnamese-Soviet Friendship and Cultural Center, the State Committee for Cooperation and Investment and the Vietnam Chamber of Commerce and Industry jointly organized the opening of an exhibition of foreign investment in Vietnam. Attending the exhibition were Council of Ministers Vice Chairman Tran Duc Luong and a large number of representatives of ministries, departments, and sectors at the central level and in Hanoi, as well as of provinces having foreign investment projects.

On display at this first-ever exhibition of foreign investment in Vietnam were products from enterprises operating under the law on investment as well as goods from a number of units and enterprises having export potential and needing foreign-provided investment capital.

There were 28 pavilions for joint venture corporations and 27 other pavilions for corporations having foreign investment potential to display their products. Taking part in the exhibition were 90 local economic units with 150 businessmen and 115 foreign businessmen from 15 countries, excluding foreign companies which had already set up representative offices in Hanoi. Many U.S. businesspeople working in the Asia-Pacific region were among foreign businessmen taking part in the exhibition.

The exhibition will also serve as a venue for seminars under the following themes: "Foreign Investment in

Hanoi and Hai Phong," "Potential and Privileges for Foreign Investment," "Quang Nam-Da Nang: the Gate to the Central Provinces," and "the Tan Thach Processing Center."

Figures on Foreign Ventures Cited

BK2402063392 Hanoi VNA in English 0603 GMT 24 Feb 92

[Text] Hanoi VNA Feb. 24—By the end of December 1991, four years after the promulgation of the Law on Foreign Investment, the Vietnamese Government had issued licences to 364 foreign-invested projects with a total registered capital of 2.645 billion U.S. dollars.

That was reported at a conference held in Hanoi on Feb. 21 and 22 by the State Committee for Cooperation and Investment to review the implementation of the law in four years.

In terms of investment capital, industry including consumer goods production, electronics, mechanical engineering, chemicals and mining accounted for 12.3 percent; oil and gas, 22.2 percent; agriculture, forestry, fishery and food industry 29.4 percent; communications, transport and post 10.7 percent; hotel, housing and tourism 25 percent; and banking and credit cards, 0.4 percent. Joint ventures made up 76 percent of the number of projects while 100 percent-foreign investment projects occupied only 8 percent. Up to now, 165 projects have been deployed and gained encouraging result while 119 others are in the pipeline.

Foreign investment projects are employing more than 10,000 people directly engaged in production and tens of thousands of others engaged in capital construction and other jobs in service of production.

In 1991 alone, foreign investment enterprises produced 94 million U.S. dollars worth of goods and earned 73 million U.S. dollars from export which is nearly four percent of the country's export value.

Participants in the conference unanimously held that the results of four years implementing the law on foreign investment show that direct foreign investment has really become an important source of investment in the economy, contributing to the restructuring of the economy and generating more jobs, increasing export value more and budget revenues and helping in the transfer of high technologies and advanced management methods from other countries.

They also dealt with the issues to be solved with the aim of speeding up the tempo of foreign investment in the coming years.

The conference noted that the Vietnamese state has so far promulgated nearly 70 legal documents relating to the implementation of the foreign investment law and set up several agencies to take charge of the cooperation and investment of foreign countries.

On the other hand, the participants pointed out that some urgent sub-laws and policies related to foreign investment are still needed or should be concretized and the implementation of the one-door principle in the assisgnment of work and responsibilities should be enforced more strictly.

News Conference on Exhibition Results

BK2502092292 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 24 Feb 92

[Text] This afternoon in Hanoi, the State Commission for Cooperation and Investment [SCCI] and the Vietnam Chamber of Commerce and Industry jointly held a news conference to inform about the results of the exhibition on cooperation and investment.

SCCI deputy commissioner Nguyen Mai stated that in the five days of the exhibition, there were 50 joint ventures, 27 companies, and some sectors taking part in the exhibition. The exhibition also held forums on investment in Vietnam for foreign investors.

About 2,000 people attended the exhibition every day and about 700 foreign investors attended the seminars. Especially, the delegation of the French Communist Party—which is on its Vietnam visit—attended the exhibition and talked with some private companies. The exhibition achieved fine success.

Australia

Keating Welcomes Queen, Raises Republican Debate

BK2402084092 Hong Kong AFP in English 0823 GMT 24 Feb 92

[Text] Canberra, Feb 24 (AFP)—Prime Minister Paul Keating Monday refuelled the Australian republican debate here in his official welcoming speech to Queen Elizabeth, described by his parliamentary counterpart as "very embarrassing" for Australians.

Keating told the queen and an audience of 600 dignitaries at Parliament House on the sixth day of her Australian visit that Australia needed to find its own way in the world. The Australian leader also talked of the profound change in the relationship between Britain and its former colony since federation in 1901.

While he made no call for a re-assessment of the monarchy's role in Australian life, the prime minister's speech was interpreted by pro-royalists as stirring the debate over republicanism in this country.

Keating said the members of the first parliament had "memories of empire" and saw the world through imperial eyes, but Australia's outlook was now more independent.

Conservative opposition leader John Hewson later described the speech as "very embarrassing" for Australians.

"I was very disappointed in Paul Keating, as I'm sure most Australians would be, that he took that opportunity to take a tilt in favour of republicanism in front of the queen," Hewson said. "I think it was an occasion to show respect, and not to make a political statement."

The queen and Prince Philip arrived here for a one-day stopover which included the parliamentary reception before heading to Adelaide and returning to London late Tuesday.

Keating told her Monday: "This, ma'am, is an altogether different generation reflecting the profound change in our two countries and the relationship between them. As our constitutional relationship has evolved, so have the circumstances of our economic and political lives. These days we must face the necessities of a global economy, global change of often staggering speed and magnititude."

Keating said Australia had to face regional realities.

"Just as Great Britain some time ago sought to make her future secure in the European Community so Australia now vigorously seeks partnership with countries in our own region. Our outlook is necessarily independent."

"In 1992 it is reflected in our growing sense of national purpose, in our conviction that we must move quickly and vigorously to make the most of our human and material resources and seize our opportunities in the world."

Keating is believed to be among many in the Labor government who sympathise with the republican cause. Last year the party's national conference decided to press for a referendum on the question of whether Australia should cut ties with the monarchy on the 100th anniversary of federation in 2001.

Among the guests at Monday's reception was former prime minister Gough Whitlam, who on Saturday said it was inevitable Australia would become a republic.

Northeast Asia Said 'Crucial' to Economic Future

BK2502065292 Hong Kong AFP in English 0515 GMT 25 Feb 92

[Text] SYDNEY, Feb 25 (AFP)—Australia's economic future depends on enhancing economic ties with Northeast Asia, according to a report released Tuesday on the eve of Prime Minister Paul Keating's key economic statement.

"Northeast Asia is crucial to Australia's future economic performance," said the report by the Department of Foreign Affairs and Trade (DFAT).

The report, entitled "Australia and Northeast Asia in the 1990's: Accelerating Change" was released as a percursor to Keating's economic statement to be delivered Wednesday.

That statement is expected to provide the blueprint for the Keating government's economic policies for the next five years.

Keating repeatedly stresses that Australia's future lies in the Asian-Pacific region. His economic statement is widely expected to contain measures aimed at encouraging foreign investment and spurring local business to exploit regional opportunities.

The DFAT report said: "Australia's future economic growth will depend to a significant extent on its success in increasing its economic interaction with the Northeast Asian region.

"Successful economic performance, in turn, will be a prerequisite for Australia to maintain and extend its political and strategic relevance in the Northeast Asian region and the wider Asian Pacific area," it said.

"Avenues for Australia's further economic engagement with the region are being opened by structural change in both Australia and Northeast Asia, but Australia will have to work hard to keep up with the accelerating change occuring in Northeast Asia."

The report said more attention needed to be paid to South Korea in particular, as well Japan and China, if Australia is to benefit from growing opportunities in the region over the decade.

Much of the groundwork for developing Australia's economic relations with Northeast Asia was laid in a report by Ross Garnaut in 1989—Australia and the Northeast Asian Ascendancy.

In that, Garnaut concluded Australia was missing out on 20 billion dollars (15 billion U.S.) in exports each year because of trade barriers, deficiencies in economic structure and the failure to exploit markets in Japan, Korea, Hong Kong, Taiwan and China.

He called for domestic economic reform, including the elimination of tariffs by the end of the century.

The new report found much progress had been made on tariffs, deregulation of financial markets, taxation reform, transport and labour.

All are areas expected to be dealt with by Keating in his economic statement.

"A decade of microeconomic reform in Australia has seen good progress in internationalising the economy and equipping Australia to respond to rapid changes in the region," it said.

The reported stated that more than 40 percent of Australia's merchandise exports went to the region and almost 30 percent of imports came from it.

Japan accounted for almost 30 percent of merchandise exports and supplied 20 percent of imports.

Some 27 percent of tourists, 20 percent of investment and a growing number of business migrants came from the region.

In comparison, the United States accounted for 11 percent of exports and 24 percent of imports, the European Community 12 percent of exports and 22 percent of imports.

Tourism was 10 percent and 20 percent, respectively, and investment 18 percent and 25 percent.

But more importantly was the role Northeast Asia was playing in the development of Southeast Asia and it was taking a growing economic interest in Indo-China.

"Northeast Asia will need to be given a high priority in Australia's foreign and economic relations throughout the 1990's," the report said.

Papua New Guinea

Rebels Say Australian Helicopters Used in Attacks

BK2302083692 Melbourne Radio Australia in English 0800 GMT 23 Feb 92

[Text] The secessionists on Bougainville said the Papua New Guinea [PNG] defense forces have again used Australian-supplied Iroquois helicopters to attack villages on the island. There has been no independent confirmation of the report made in a broadcast over the secessionist-run Radio Free Bougainville. According to the report, the helicopters were used as gunships in attacks on villages in the Wakunai area of northern Bougainville on three days during the past week.

Australia supplied the helicopters on the understanding that they not be used in military operations against the Bougainville rebels. A former commander of the security forces on Bougainville, Colonel (Leo Nuiea), was dismissed by the PNG cabinet last year after revealing in a television interview that the helicopters had been used as gunships on the island.

Solomon Islands Warned Not To Interfere

BK2502054492 Melbourne Radio Australia in English 0500 GMT 25 Feb 92

[Text] The Papua New Guinea Government has warned Solomon Islands not to interfere in Papua New Guinea's internal affairs. Papua New Guinea's trade industry minister, John Giheno, issued the warning in response to a statement made by Solomon Islands opposition leader, (Hoves Tahanaku), and a former member of parliament, (Tetual Kelly), in support of the secessionist movement in Bougainville. Both men expressed support for Bougainville's independence, saying the island was not geographically or culturally a part of Papua New Guinea.

Mr. Giheno said the Papua New Guinea Government could not tolerate explicit expression of support for the Bougainville Revolutionary by Solomon Islands politicians. He said Bougainville is part of Papua New Guinea. Solomon Islands should not be meddling in Papua New Guinea's internal affairs.

Mr. Giheno said it was time for Papua New Guinea to send a Defense Force battalion to modify and police the sea border with Solomon Islands.